



**Special Meeting Agenda  
City Council**

12:00 p.m. (noon) Special Meeting  
Monday, September 16, 2013  
Large Conference Room  
City Hall – 25 Center Street  
Vermillion, South Dakota 57069

1. **Roll Call**
2. **Informational Session –Egress window standards – Farrel Christensen.**
3. **Budget meeting follow-up discussion – Fire Inspector – Shannon Draper.**
4. **Briefing on the September 16, 2013 City Council Regular Meeting Agenda-** Briefings are intended to be informational only and no deliberation or decision will occur on this item.
5. **Adjourn**

Access the City Council Agenda on the web – [www.vermillion.us](http://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, September 16, 2013  
City Council Chambers

25 Center Street  
Vermillion, South Dakota 57069



1. **Roll Call**
2. **Pledge of Allegiance**
3. **Minutes**
  - a. September 3, 2013 Special Session; September 3, 2013 Regular Session.
4. **Adoption of the Agenda**
5. **Visitors To Be Heard**
  - a. United Way Week Proclamation.
  - b. Lori Kober Proclamation.
6. **Public Hearings**
7. **Old Business**
  - a. Resolution approving Special Assessment Roll for Nuisance Abatement at 23 N Harvard Street.
  - b. Second Reading of Ordinance 1304 – Amending Chapter 155.074 of the 2008 revised ordinances of the City of Vermillion, adding guidelines for the installation of fences.
  - c. Second Reading of Ordinance 1305 – 2014 Appropriations.
  - d. Second Reading of Ordinance 1306 – 2013 Revised Appropriations.
8. **New Business**
  - a. Resolution designating \$500,000 of General Fund reserves for swimming pool replacement capital outlay accumulation.
  - b. Resolution designating boundaries of a business improvement district.
  - c. Resolution establishing a business improvement district board of directors.
  - d. Request from the VCDC to retain lot sale proceeds for business park development
  - e. Street Closure Request-Fraternal Order of Eagles-Child Advocacy Day
  - f. Resolution approving the issuance of sale of Tax Incremental revenue bonds for TIF 6.
  - g. Resolution authorizing the purchase of two skid loaders.
9. **Bid Openings**
10. **City Manager’s Report**
11. **Invoices Payable**
12. **Consensus Agenda**

- a. Set a bid opening date of October 29, 2013 for the sale of a surplus digger derrick truck.
- b. Set a bid opening date of September 25, 2013 for the construction of the Landfill Baler Building.

### **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  
September 3, 2013  
Tuesday 12:00 noon

The special session of the City Council, City of Vermillion, South Dakota was held on Tuesday, September 3, 2013 at 12:00 noon at the William J. Radigan Fire/EMS Station meeting room.

1. Roll Call

Present: Collier-Wise, Davies, Grayson, Meins, Osborne (arrived at 12:04 p.m.), Willson, Zimmerman, Mayor Powell

Absent: Ward

2. Informational Session - Follow up information from August 19th  
Prentis Park Pool Discussion - Jim Goblirsch

John Prescott, City Manager, reported that, since last meeting, staff has met with a consulting firm regarding the master planning process for Prentis Park. Jim Goblirsch, Director of Parks and Recreation, reported that he had contacted other cities for recommendations on firms to do park master planning with the recommendation of the firm of TSP. Jim stated that they met with representatives with TSP about the process for developing a park master plan that included public input, maintaining green space, footprint for the conceptual plan for the pool including concerns about a pool parking lot proposed for the middle of the park. Jim handed out a proposal from TSP for a master plan for Prentis Park at a cost of \$12,700 plus reimbursable expenses with the project completed by December 1, 2013.

Alderman Osborne arrived at 12:04 p.m.

Discussion followed on the master plan with John Prescott stating that the picture plan for the swimming pool is just a conceptual plan developed by the Pool Committee with the assistance from the consultant. John noted that the pool consultant and committee did not review the impact to the other features of Prentis Park as part of the pool conceptual plan or the ability to finance the pool project. He stated that what is proposed is to develop a master plan for the park including how the pool facility can be integrated into the park. John noted that a concern has been raised about removing green space for a parking lot for the pool and maybe there are other alternatives that can be researched for this.

As to the financing, John reviewed the State statute that allows the City Council, by resolution, to provide for accumulation of funds for a specific capital outlay purpose. Discussion followed on the master planning process with the consensus of the City Council to proceed with the master plan for Prentis Park.

Alderman Meins requested to be excused at 12:25 p.m.

3. Informational Session - Review of new ambulance and Ambulance Department upgrades - EMS Director Lee Huber

Lee Huber, EMS Director, reported on the upgrade in computers and networking that allows the EMT's to complete trip reports from the ambulance, thus reducing the time needed after returning from a trip to complete all the paper work. Lee stated that the cardiac monitors are also connected to the remote computer connection to allow for the information to be transmitted to the hospital. He provided a tour of the new ambulance, which was just purchased by Clay County, reporting on the location of major equipment. Lee answered questions of the City Council on the ambulance and ambulance service. Lee introduced Lisa Wood who will be serving as interim director as he will be leaving the City mid September.

4. Briefing on the September 3, 2013 City Council Regular Meeting

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

5. Adjourn

269-13

Alderman Osborne moved to adjourn the Council special session at 12:42 p.m. Alderman Zimmerman seconded the motion. Motion carried 7 to 0. Mayor Powell declared the motion adopted.

Dated at Vermillion, South Dakota this 3<sup>th</sup> day of September, 2013.

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  
September 3, 2013  
Tuesday 7:00 p.m.

The regular session of the City Council, City of Vermillion, South Dakota was called to order on Tuesday, September 3, 2013 at 7:00 p.m. by Mayor Powell.

1. Roll Call

Present: Collier-Wise, Davies, Meins, Osborne, Ward, Willson, Zimmerman, Mayor Powell

Absent: Grayson

2. Pledge of Allegiance

3. Minutes

A. Minutes of August 19, 2013 Special Session and August 19, 2013 Regular Session

270-13

Alderman Meins moved approval of the August 19, 2013 Special Session and August 19, 2013 Regular Session minutes. Alderman Zimmerman seconded the motion. Motion carried 8 to 0. Mayor Powell declared the motion adopted.

4. Adoption of Agenda

271-13

Alderman Davies moved approval of the agenda with the change in order of Item 8. New Business switching the order of Items E for A and the addition of Item 13. Adjourn. Alderman Collier-Wise seconded the motion. Motion carried 8 to 0. Mayor Powell declared the motion adopted.

5. Visitors to be heard

A. Proclamation of Direct Support Professionals Recognition Week

Alderman Meins read the proclamation of Direct Support Professional Recognition Week designating the week of September 8-14, 2013 as Direct Support Professionals Week in Vermillion. Mayor Powell presented the Proclamation to Direct Support Professionals from SESDAC.

## 6. Public Hearings

### A. Resolution Approving Special Assessment Roll for Nuisance Abatement

Mike Carlson reported that on August 5th the City Council adopted a resolution setting the public hearing for tonight for consideration of the special assessment roll. The resolution was published and mailed to the property owners. The assessments are for nuisance abatement during the last year for grass/weed removal, snow removal and removal of dangerous buildings. Mike reported that, if adopted, the listed property owners will be sent the resolution allowing 30 days to pay the assessment without interest and if not paid will be certified to the County to be included on next year's taxes. Discussion followed.

272-13

Alderman Zimmerman moved approval of the Resolution Approving the Special Assessment Roll and Notice of Special Assessments for Nuisance Abatement for the listed property. Alderman Meins seconded the motion. Discussion followed on the amount of the assessment for the dangerous building removal at 23 N Harvard, for the Apostolic Faith Church and if the amount could be reduced as the Church cannot afford such a large amount. Discussion followed on the amount noting that it includes the costs of equipment, man hours and landfill fees. It was reported that the City Council has reduced assessments in the past when a plan to develop the property was brought forward but not below the landfill fees paid. Discussion followed.

A roll call vote of the Governing Body was as follows: Collier-Wise- N, Davies-N, Meins-Y, Osborne-Y, Ward-N, Willson-Y, Zimmerman-Y, Mayor Powell-N. Motion tied 4 to 4. Mayor Powell declared the motion failed.

Discussion followed on the resolution including the costs associated with the dangerous building removal at 23 N. Harvard.

273-13

After reading the same once, Alderman Ward moved adoption of the following resolution approving the special assessments for the nuisance abatement costs for all the properties listed except the property at 23 N. Harvard owned by the Apostolic Faith Church, whereby the public hearing will be recessed until a future meeting to allow time to review the nuisance abatement costs:

RESOLUTION APPROVING THE SPECIAL ASSESSMENT ROLL  
AND NOTICE OF SPECIAL ASSESSMENTS  
FOR NUISANCE ABATEMENT  
IN THE CITY OF VERMILLION, SOUTH DAKOTA

WHEREAS, the Governing Body of the City of Vermillion, Clay County, South Dakota has established a special assessment roll for defraying the cost of nuisance abatement against the several tracts of real property upon:

NUISANCE ABATEMENT

as listed at the end of this Resolution in the City of Vermillion, Clay County, South Dakota. The assessment roll was filed in the office of the City Finance Officer of the City of Vermillion, South Dakota on the 5th day of August, 2013.

WHEREAS, said Governing Body, by resolution, fixed this time and place for hearing upon the assessment roll for the 3rd day of September, 2013 and directed the City Finance Officer of the City of Vermillion, Clay County, South Dakota to publish a Resolution and Notice for such hearing in the official newspaper of Vermillion, South Dakota, one week prior to the date set for said hearing. Said Resolution and Notice described, in general terms, the improvement for which the special assessment is levied, the date of filing of the assessment roll, the time and place for the hearing, that the assessment roll would be open for public inspection at the office of the City Finance Officer of Vermillion, South Dakota, and referred to the assessment roll for further particulars. The Finance Officer was further directed to mail a copy of the Resolution and Notice by first-class mail, postage thereon fully prepaid, addressed to the property owners of any property to be assessed for such improvement at their address, as shown by the records of the Director of Equalization, at least one week prior to the date set for the hearing.

WHEREAS, it now appears that the Finance Officer has caused notice of the hearing to be given in the manner provided by the aforementioned Resolution and Notice, and by law.

WHEREAS, all persons interested have been given an opportunity to appear and show cause why the Governing Body should not approve the assessment roll, and the assessments against the respective premises of the owners, and the Governing Body has determined that the assessment roll is in all respects true and correct, and according to law.

NOW, THEREFORE, IT IS RESOLVED, by the Governing Body of the City of Vermillion, Clay County, South Dakota that the special assessment roll is hereby approved without amendment or change.

BE IT FURTHER RESOLVED, that the approved assessment roll be filed in the office of the City Finance Officer the day after approval of the assessment roll. The City Finance Officer shall publish once in the

official newspaper of Vermillion, South Dakota, a copy of this Resolution and Notice, along with the approved assessment roll.

BE IT FURTHER RESOLVED, that the City Finance Officer shall immediately mail to the owner, or owners, of each lot, parcel or piece of ground as shown by the assessment roll, a copy of this Resolution and Notice along with the approved assessment roll.

NOTICE IS HEREBY GIVEN, that the assessments mentioned in the assessment roll will be payable according to the provisions of Plan One as set forth in SDCL Sections 9-43-102 to 9-43-113.

NOTICE IS FURTHER GIVEN, that any assessment under Plan One, or any installment thereof, may be paid without interest to the City Finance Officer whose office is located in the Municipal Building at 25 Center Street in the City of Vermillion, South Dakota, at any time within thirty (30) days after the filing of the approved assessment roll in the office of said City Finance Officer. Thereafter, and prior to the due date of the first installment, the entire assessment remaining, plus interest thereon from the filing date to the date of payment may be paid to the said City Finance Officer. No installment under Plan One shall be paid to the said City Finance Officer on or after its due date, and on and after said date such installment shall be paid only to the County Treasurer with interest.

NOTICE IS FURTHER GIVEN, that the approved assessment roll will be filed with the City Finance Officer on 4th day of September, 2013. The assessment is payable in one (1) installment at ten percent (10%) per annum interest on unpaid installments. The first installment due date is January 1, 2014.

The assessment roll herein referred is as follows:

Lot: S 18" of Lots 1 & 2 & N 32' of Lot 3 Block 1, Cottage Place  
Parcel Number: 15170-00100-030-00  
Owner: Raymond Gill Jr  
Service: remove dangerous structure \$1,145.11, sidewalk snow removal \$63.60  
Total: \$1,208.71

Lot: W 71' of N ½ of Lots 8 & W 71' of Lot 9 Block 62 Bigelows Addition  
Parcel Number: 15050-06200-090-00  
Owner: Apostolic Faith Church contract for deed with Dennis A. Klein  
Service: removal of dangerous structure  
Total: Hearing continued to future meeting

Lot: Lot 1 Replat of Aud Tract A S ½ Lot 2 NW ¼ 19-92-551 Aud Tract 19-92-51 Parcel Number: 15860-09251-190-24

Owner: Peter, Mark & Karen Monzel

Service: sidewalk snow removal 1/2/13 \$84.80, sidewalk snow removal 2/27/13 \$108.65

Total: \$193.45

Lot: E 77.7' of 11, 12 & E 77.7' of S ½ of 13, Block 3, Eastside

Parcel Number: 15270-00300-130-00

Owner: Timothy N. Peterson & Elizabeth A. Goehring

Service: grass/weed removal 8/14/12 \$180.20

Dated at Vermillion, South Dakota, this 3rd day of September 2013.

THE GOVERNING BODY OF THE CITY OF  
VERMILLION, CLAY COUNTY, SOUTH DAKOTA

\_\_\_\_\_  
John E. Jack Powell, Mayor

ATTEST:

\_\_\_\_\_  
Michael D. Carlson, Finance Officer

The amount of the assessment is payable, under Plan One, at the office of the Clay County Treasurer, in the Courthouse, in the City of Vermillion, Clay County, South Dakota, UNLESS paid to the City Finance Officer, whose office is located in the Municipal Building at 25 Center Street in the City of Vermillion, Clay County, South Dakota, within 30 days after the approved assessment roll is filed in the office of the City Finance Officer. Wherever the word "Lot" appears in this exhibit, it shall be construed to include tracts and other parcels of land.

The motion was seconded by Alderman Collier-Wise. Discussion followed and the question of the adoption of the Resolution was presented for a vote of the Governing Body. A roll call vote of the Governing Body was as follows: Collier-Wise-Y, Davies-Y, Meins-N, Osborne-Y, Ward-Y, Willson-N, Zimmerman-N, Mayor Powell-Y. Motion carried 5 to 3. Mayor Powell declared that the Resolution was adopted.

B. First Reading of Ordinance 1304 - Amending Chapter 155.074 of the 2008 revised ordinances of the City of Vermillion, adding guidelines for the installation of fences

Ted Cherry, Administrative Intern, reported that the proposed ordinance is to establish criteria to guide property owners on acceptable aesthetics for fences. Ted stated that the proposed ordinance would be an addition to the existing ordinances in place regulating residential

fences in city limits. Residents would have additional criteria to meet when installing a perimeter fence on their property which abuts City property or faces a street/alleyway. This ordinance would not only give residents direction to follow when purchasing and building fences, but will also allow the fences in neighborhoods to be more aesthetically pleasing and cohesive. Ted stated that the proposed ordinance was presented to the Planning Commission on August 12<sup>th</sup> with a recommendation for adoption. Discussion followed with Ted answering questions of the City Council on the proposed ordinance.

274-13

Mayor Powell read the title to the above mentioned Ordinance and Alderman Davies moved adoption of the following Resolution:

BE IT RESOLVED that the minutes of this meeting shall show that the title to proposed Ordinance No. 1304 entitled An Ordinance Amending Chapter 155.074 to add guidelines for fence installation of the City of Vermillion, South Dakota has been read and the Ordinance has been considered for the first time in its present form and content at this meeting being a regularly called meeting of the Governing Body of the City on this 3<sup>rd</sup> day of September, 2013 at the Council Chambers in City Hall in the manner prescribed by SDCL 9-19-7 as amended.

The motion was seconded by Alderman Willson. After discussion, the question of adoption of the Resolution was put to a vote of the Governing Body and 8 members voted in favor of and 0 members voted in opposition to the motion. Mayor Powell declared the motion adopted.

7. Old Business - None

8. New Business

A. First Reading of Ordinance 1305 - 2014 Appropriations

John Prescott, City Manager, reported that the proposed budget was presented to the City Council on August 5th and the Council held hearings to review the budget on August 13th and 14th. John wanted to thank the City Council for the time spent meeting with all the departments to refine the budget. John reviewed some of the major items that are included in the 2014 budget ordinance. He noted that the pool project was discussed during the budget process with the topic being continued during the last two noon meeting as to the planning, timing and financing. John stated that he had provided information about the ability of the City Council to adopt a resolution to authorize the accumulation of funds for capital outlay purposes such as the pool project. He stated that he would propose the City Council consider such a resolution at an upcoming meeting. Discussion followed on the budget.

275-13

Mayor Powell read the title to the above mentioned Ordinance and Alderman Davies moved adoption of the following Resolution:

BE IT RESOLVED, that the minutes of this meeting shall show that the title to proposed Ordinance No. 1305 entitled An Ordinance Adopting the 2014 Budget Ordinance of the City of Vermillion, South Dakota has been read and the Ordinance has been considered for the first time in its present form and content at this meeting being a regularly called meeting of the Governing Body of the City on this 3rd day of September, 2013 at the Council Chambers in City Hall in the manner prescribed by SDCL 9-19-7 as amended.

The motion was seconded by Alderman Collier-Wise. After discussion, the question of adoption of the Resolution was put to a vote of the Governing Body and 8 members voted in favor of and 0 members voted in opposition to the motion. Mayor Powell declared the motion adopted.

#### B. First Reading of Ordinance 1306 - 2013 Revised Appropriations

John Prescott, City Manager, reported that the City Council adopted the 2013 budget in September 2012 and, during the 2014 budget process adjustments, the 2013 budget amounts are proposed based upon information that is available now. Some of the major items would be the French East Addition, Bliss Pointe project, W Main mill & overlay project, the repairs to the bike path and adjustments to the Joint Powers landfill due to the effects of the fire. John answered questions on the revised budget.

276-13

Mayor Powell read the title to the above mentioned Ordinance and Alderman Willson moved adoption of the following Resolution:

BE IT RESOLVED, that the minutes of this meeting shall show that the title to proposed Ordinance No. 1306 entitled An Ordinance Adopting the 2013 Revised Budget Ordinance of the City of Vermillion, South Dakota has been read and the Ordinance has been considered for the first time in its present form and content at this meeting being a regularly called meeting of the Governing Body of the City on this 3rd day of September, 2013 at the Council Chambers in City Hall in the manner prescribed by SDCL 9-19-7 as amended.

The motion was seconded by Alderman Ward. After discussion, the question of adoption of the Resolution was put to a vote of the Governing Body and 8 members voted in favor of and 0 members voted in opposition to the motion. Mayor Powell declared the motion adopted.

C. Resolution of Necessity and Notice of Hearing for construction of concrete surfacing on Kennedy Street from W. Cherry Street to Cornell Street

Jose Dominguez, City Engineer, reported on the location of the improvements noting that Kennedy Street will serve one of the accesses to the Bliss Pointe development. Jose stated that the improvements are to be assessed based upon benefit noting that part of the street already has curb & gutter and gravel base thus the improvement costs would be less for those lots. Jose stated that the resolution will set the public hearing on September 27 at 12:00 p.m. with the resolution being published and notice of the hearing sent to the property owners. Discussion followed with Jose reviewing the estimated project costs.

277-13

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

RESOLUTION OF NECESSITY AND NOTICE OF HEARING FOR CONSTRUCTION OF CONCRETE SURFACING ON KENNEDY STREET FROM WEST CHERRY STREET TO CORNELL STREET IN THE CITY OF VERMILLION, SD

BE IT HEREBY RESOLVED, by the Governing Body of the City of Vermillion, South Dakota, at a regularly called meeting thereof, in the Council Chambers of said City at 7:00 p.m. on the 3<sup>rd</sup> day of September 2013, that the convenience and necessity has arisen for the construction of concrete surfacing on the portion of the public street hereinafter named, and in front or abutting the several lots or parcels of land hereinafter named, viz.:

KENNEDY STREET from West Cherry Street to Cornell Street

- Lot 1, 2 & 3, Block 1, O'Connor Addition
- Lot 4, Block 1, O'Connor Addition
- Lot 5, Exc. W. 10', Block 1, O'Connor Addition
- Block 1, Bliss Pointe Addition
- Block 3, Bliss Pointe Addition

BE IT FURTHER RESOLVED, that the general nature of the improvements shall be as follows:

The concrete surfacing shall be a maximum of 28-feet wide and 6-inches thick.

The concrete curb and gutter shall be 2.5-feet wide and approximately 280-feet long.

The gravel base shall be 30-feet wide and 6-inches thick.

BE IT FURTHER RESOLVED, that the materials to be used in the construction of said improvements shall be according to the specifications adopted by the City.

BE IT FURTHER RESOLVED, that the details, conceptual plans and specifications used to arrive at the estimate have been filed with the Finance Officer and may also be reviewed with the City Engineer.

BE IT FURTHER RESOLVED, that the benefit of the improvement to each lot or tract is as follows:

Any costs incurred, but not covered by the following benefits, will be paid for with City funds.

Lot: Lot 1, 2 & 3, Block 1, O'Connor Addition  
Owner: Vermillion's Congregation of Jehovah's Witnesses  
Benefit: The cost, per foot, for the gravel, concrete surfacing and curb and gutter shall not exceed \$80.62 per frontage foot.

Lot: Lot 4, Block 1, O'Connor Addition  
Owner: Tracye Sherrill & Debra Adams  
Benefit: The cost, per foot, for the gravel, concrete surfacing and curb and gutter shall not exceed \$80.62 per frontage foot.

Lot: Lot 5, Exc. W. 10', Block 1, O'Connor Addition  
Owner: Tagney Walters  
Benefit: The cost, per foot, for the gravel, concrete surfacing and curb and gutter shall not exceed \$80.62 per frontage foot.

Lot: Block 1, Bliss Pointe Addition  
Owner: Vermillion Chamber of Commerce and Development Company  
Benefit: The cost, per foot, for the gravel, concrete surfacing and curb and gutter shall not exceed \$111.89 per frontage foot.

Lot: Block 3, Bliss Pointe Addition  
Owner: Vermillion Chamber of Commerce and Development Company  
Benefit: The cost, per foot, for the gravel, concrete surfacing and curb and gutter shall not exceed \$111.89 per frontage foot.

The estimated benefit is based on 2012 estimated costs.

BE IT FURTHER RESOLVED, that the benefit shall be divided into ten (10) equal annual installments, which shall be payable under Plan One, collection by the County Treasurer, as set forth in 2012 SDCL 9-43 etc. e.g., and that all deferred installments shall bear interest at the rate of not more than ten (10%) percent per annum.

BE IT FURTHER RESOLVED, that the contractors who undertake to perform the work of construction, herein provided for, shall be paid, in cash, from the sale of special assessment bonds.

BE IT FURTHER RESOLVED, that any person interested may appear and show cause, before the Governing Body of the City of Vermillion, at the City Council Chambers of said City at 12:00 p.m. on the 27<sup>th</sup> day of September, 2013 why the above and foregoing resolution should not, at said time and place, be adopted and passed by the Governing Body, at which time the Governing Body will finally approve, disapprove, or modify the same in its discretion.

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

D. Resolution in support of maintaining Tax Exempt Financing

John Prescott, City Manager, reported that there have been some discussions at the federal level of discontinuing the tax exempt financing for other than federal bonds as part of the solution to solve the federal budget issues. John noted that the City is able to issue tax exempt bonds at a lower interest rate as they are exempt from federal taxes. John noted that the SDML and APPA have encouraged Cities to contact their federal delegation to express the importance of tax exempt financing for the city. Discussion followed.

278-13

Alderman Osborne moved approval of the Resolution in Support of the Preservation of Tax-Exempt Financing and authorize the Mayor to sign. Alderman Ward seconded the motion. Motion carried 8 to 0. Mayor Powell declared the motion adopted.

E. Commercial Haulers License - Giedd Sanitation

Mike Carlson, Finance Officer, reported that a commercial collector's license application was received from Giedd Sanitation, LLC which included the required certificate of insurance and \$300 fee. The application lists the owners as Travis Giedd and Nicole Mundy. The applicant noted that they had purchased the TJP Waste Hauling business. Mike noted that the Police Chief reported that there are no local records for either of the owners. Discussion followed with Travis and Nicole answering questions of the City Council on the business operations.

279-13

Alderman Osborne moved approval of the Commercial Collectors License for Giedd Sanitation, LLC for the balance of 2013. Alderman Zimmerman seconded the motion. Motion carried 8 to 0. Mayor Powell declared the motion adopted.

#### F. Resolution Authorizing the Purchase of a Wheel Loader

Jason Anderson, Assistant City Engineer, reported that the 2014 budget for the equipment replacement fund included the replacement of the 2007 Caterpillar 928G wheel loader. Jason stated that, to replace this loader and capitalize on an advantageous price, the City may purchase from the bid awarded to Butler Machinery from the State of South Dakota Department of Transportation for a 2014 CAT 924K wheel loader for the bid price of \$149,654. The purchase price includes a Grabtec grapple and warranty coverage for 5,000 hours or 60 months, whichever comes first. Jason reported that the state contract wheel loader includes a Ryland coupler that is not compatible with the current City attachments which require a Fusion quick coupler. After presenting this concern, Butler Machinery has agreed to allow the City to exchange the Ryland coupler for a Fusion quick coupler to match current City attachments (buckets, etc.). Jason noted that for a total of \$4,398, the City may also add a few necessary attachments including a 48" pallet fork and 24 additional months of warranty, being the most significant. Jason reported that total expense for the loader and attachments is \$154,052 and that delivery will not be until in 2014. Discussion followed.

280-13

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

RESOLUTION  
AUTHORIZING THE PURCHASE OF  
WHEEL LOADER

WHEREAS, SDCL 5-18A-22 authorizes a governmental entity to purchase necessary supplies from the lowest responsible bidder of another

governmental entity or State at the accepted bid price and the concurrence of said bidder, and;

WHEREAS, the City of Vermillion has reviewed and determined that the January 24, 2013 bid awarded by the State of South Dakota Department of Transportation to Butler Machinery for a Caterpillar 924K wheel loader for the base bid of \$149,654 offers an advantageous price to the City for said item, and;

WHEREAS, the City has contacted Butler Machinery and they have agreed to allow the City to purchase a wheel loader for the awarded price and terms as they have contracted with the State of South Dakota, and;

WHEREAS, the City has determined the need for \$4,398 in additional attachments not included on State bid, and;

WHEREAS, the City will not take delivery or make payment for the new, 2014 wheel loader until January 1, 2014.

NOW, THEREFORE BE IT RESOLVED, by the Governing Body of the City of Vermillion, that the City Finance Officer is hereby authorized to purchase a new 2014 Caterpillar 924K wheel loader from Butler Machinery of Sioux Falls, South Dakota for a total purchase price of \$154,052.

Dated at Vermillion, South Dakota this 3rd day of September, 2013.

THE GOVERNING BODY OF THE  
CITY OF VERMILLION, SOUTH DAKOTA

By \_\_\_\_\_  
John E. (Jack) Powell, Mayor

ATTEST:

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

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

9. Bid Openings

A. Fuel quotes

Mike Carlson, Finance Officer, read the monthly fuel quotes and recommended the low quote of Stern Oil on all four items.

Item 1 - 4,350 gal unleaded 10% ethanol: Stern Oil \$3.4568, Brunick's Service \$3.60; Item 2 - 1,000 gal unleaded gasoline regular: Stern Oil \$3.5214, Brunick's Service \$3.70; Item 3 - 3,000 gal No. 2 Diesel fuel-clear: Stern Oil \$3.4118, Brunick's Service \$3.55; Item 5 - 1,000 gal No. 2 diesel fuel-clear: Stern Oil \$3.6483, Brunick's Service \$3.84  
281-13

Alderman Zimmerman moved approval of the low quote of Stern Oil on all four items. Alderman Meins seconded the motion. Discussion followed. Motion carried 8 to 0. Mayor Powell declared the motion adopted.

#### 10. City Manager's Report

A. John reminded citizens that Market Street for one half block south of Main Street will be closed on Thursday, September 5<sup>th</sup> for Thursdays on the Platz from 5:30 p.m. to 8:00 p.m. to facilitate the event.

B. John reminded citizens that the Ribs, Rods & Rock'N Roll event is this Friday and Saturday and that downtown streets will be closed for the event starting on Friday morning.

C. John reported that a raffle request was received from St Agnes PTSA who is selling 100 tickets at \$120 each starting last month. Monthly drawing of three numbers with a \$300 prize for first number and two \$100 prizes for next two numbers. Profits from the sale go to help the PTSA with hospitality, fulfill teacher requests and for professional development.

#### PAYROLL ADDITIONS AND CHANGES

General: John Prescott \$54.83/hr; Finance: Mike Carlson \$44.47/hr, Lisa Terwilliger \$12.21/hr; Ambulance: Nick Ashley \$30.60/1<sup>st</sup>-\$17.34/2<sup>nd</sup>, Patrick Farrens \$6.00/1<sup>st</sup>-\$6.00/2<sup>nd</sup>-\$9.00/FTO, Merritt Groh \$6.00/1<sup>st</sup>-\$6.00-2<sup>nd</sup>-\$9.00/FTO, Brandon Hansen \$6.00/1<sup>st</sup>-\$6.00/2<sup>nd</sup>-\$9.00/FTO, Jordyn Larson \$30.00/1<sup>st</sup>-\$17.00/2<sup>nd</sup>, Tara Rohan \$30.00/1<sup>st</sup>-\$17.00/2<sup>nd</sup>, Dominick Santa Maria \$35.70/1<sup>st</sup>-\$22.40/2<sup>nd</sup>, Alex Sherlock \$35.70/1<sup>st</sup>-\$22.40/2<sup>nd</sup>, Matt Sutura \$6.00/1<sup>st</sup>-\$6.00/2<sup>nd</sup>, Abby Wolf \$30.00/1<sup>st</sup>-\$17.00/2<sup>nd</sup>; Library: Kristopher Basham \$7.25/hr, Maggie Malathip \$7.25/hr, Samantha Riley \$7.25/hr; Communications: Wendy Carroll \$17.70/hr; Golf Maintenance: Zach Hueners \$7.50/hr, Matt Kramer \$7.25/hr; Landfill: Joseph Ensminger \$14.59/hr; Recycling: Jim Zimmerman \$17.12/hr

#### 11. Invoices Payable

282-13

Alderman Davies moved approval of the following invoice:

JOHN POWELL

APPA MEETING REIMBURSEMENT

1,067.36

Alderman Collier-Wise seconded the motion. Motion carried 7 to 0. Mayor Powell requested to abstain. Mayor Powell declared the motion adopted.

283-13

Alderman Davies moved approval of the following invoice:

UNIVERSITY CLEANERS	PROFESSIONAL SERVICES	23.00
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Alderman Collier-Wise seconded the motion. Motion carried 7 to 0. Alderman Meins requested to abstain. Mayor Powell declared the motion adopted.

284-13

Alderman Collier-Wise moved approval of the following invoices:

A & B BUSINESS, INC	SUPPLIES	140.86
ALERT-ALL CORPORATION	SUPPLIES	53.97
ALLEGIANT EMERGENCY SERVICE	REPAIRS	265.43
AMERICAN BUS CORP.	TRAVEL -OUT AND ABOUT	238.29
AMERICAN LEGAL PUBLISHING	ONLINE RENEWAL	275.00
ANIMAL CARE EQUIPMENT & SVC	SUPPLIES	117.40
APPEARA	SUPPLIES	283.16
ARAMARK UNIFORM SERVICES	UNIFORM CLEANING	122.64
ARGUS LEADER MEDIA #1085	SUBSCRIPTION	47.58
BAKER & TAYLOR BOOKS	BOOKS	739.52
BANNER ASSOCIATES, INC	PROFESSIONAL SERVICES	6,359.55
BARKLEY ASPHALT	HOT MIX	793.00
BARNES DISTRIBUTION	PARTS	307.36
BIERSCHBACH EQPT & SUPPLY	PARTS	1,208.35
BLACKSTONE AUDIO INC	BOOKS	150.00
BLAKE CARVER	WEB HOSTING	104.00
BORDER STATES ELEC SUPPLY	SUPPLIES	32.00
BOUND TREE MEDICAL, LLC	SUPPLIES	1,205.46
BROADCASTER PRESS	ADVERTISING	1,842.41
BROCK WHITE CO	SUPPLIES	4,916.72
BROWN TRAFFIC PRODUCTS	SUPPLIES	108.00
BRUNICKS SERVICE INC	PROPANE	133.00
BSN SPORTS INC	SUPPLIES	322.12
BULLBERRY SYSTEMS, INC	SOFTWARE SUPPORT	10,100.00
BUTLER MACHINERY CO.	SUPPLIES	1,054.46
BW INSURANCE AGENCY, INC	NOTARY BOND	100.00
CAMPBELL SUPPLY	SUPPLIES	974.39

CANFIELD BUSINESS INTERIOR	LIBRARY FURNITURE	12,863.96
CANNON TECHNOLOGIES, INC	SOFTWARE SUPPORT	900.00
CASK & CORK	MERCHANDISE	786.83
CBCINNOVIS, INC	REPORT FEES	26.80
CCP INDUSTRIES INC.	SUPPLIES	393.50
CENTURY BUSINESS LEASING	LEASE	138.25
CENTURY BUSINESS PRODUCTS	SUPPLIES	101.79
CENTURYLINK	TELEPHONE	746.19
CERTIFIED LABORATORIES	SUPPLIES	384.78
CHEMCO, INC	SUPPLIES	70.00
CHESTERMAN CO	MERCHANDISE	1,299.42
CITY OF VERMILLION	COPIES/POSTAGE	1,585.19
CITY OF VERMILLION	UTILITY BILLS	45,838.01
CLEMET BOSTUCK	MOWING	375.00
CLIA LABORATORY PROGRAM	CERTIFICATE FEE	150.00
CLIMATE SYSTEMS, INC	REPAIRS	415.15
COFFEE KING, INC	MERCHANDISE	57.75
COLONIAL LIFE ACC INS.	INSURANCE	3,074.44
CONTINENTAL RESEARCH CORP	SUPPLIES	1,598.55
CRAIG DEAN	ELECTRONICS DISPOSAL	499.00
CULLIGAN WATER	SUPPLIES	102.00
CUSTOM TRUCK EQUIPMENT INC	SNOW PLOW/LIFT GATE	6,893.00
CUSTOM UPHOLSTERY BY DIANNE	LIBRARY FURNITURE	2,630.00
D & D PEST CONTROL	INSPECTION/TREATMENT	17.50
DAKOTA BEVERAGE	MERCHANDISE	10,177.12
DAKOTA PC WAREHOUSE	REPAIRS/MONITOR	259.97
DAKOTA SECURITY SYSTEMS	ALARM MONITORING	360.00
DAKOTA SUPPLY GROUP	SUPPLIES	178.58
DALE HUSBY	SAFETY GLASSES	150.00
DARIN HARVEY	REFUND SERVICE FEES	40.60
DAVIS PHARMACY	SUPPLIES	46.27
DELTA DENTAL PLAN	INSURANCE	6,193.94
DENNIS MARTENS	MAINTENANCE	833.34
DEPT OF REVENUE	TESTING	377.00
DEREK RONNING	MEALS	100.20
DGR ENGINEERING	PROFESSIONAL SERVICES	3,234.00
DORSEY & WHITNEY	BOND COUNSEL SRF LOAN	12,000.00
DUST TEX	SUPPLIES	144.80
E.A SWEEN COMPANY	MERCHANDISE	247.66
EARTHGRAINS BAKING CO'S INC	MERCHANDISE	170.64
EBERLE DESIGN INC	REPAIRS	178.00
ECHO ELECTRIC SUPPLY	SUPPLIES	1,055.08

ELECTRONIC ENGINEERING	POLICE CAR EQUIPMENT	6,644.90
ELLIOTT EQUIPMENT CO	PARTS	352.34
ENERGY LABORATORIES	TESTING	1,253.00
EPIGATE SOFTWARE LLC	SOFTWARE SUPPORT	1,200.00
FAR FROM NORMAL	SUPPLIES	41.24
FARMER BROTHERS CO.	MERCHANDISE	40.67
FAST AUTO GLASS	REPAIRS	240.00
FASTENAL COMPANY	SUPPLIES	45.87
FOUR WINDS INTERACTIVE	MAINTENANCE	4,379.90
GALE	BOOKS	64.10
GARYS TREE SERVICE, INC	STUMP GRINDING	1,990.00
GLOBAL EQUIPMENT COMPANY	SUPPLIES	48.28
GRAHAM TIRE CO.	TIRES	1,343.80
GRAINGER	PARTS	220.39
GRAYMONT CAPITAL INC	CHEMICALS	11,408.00
GREGG PETERS	FREIGHT	1,274.00
GREGG PETERS	RENT	937.50
GUARANTEE OIL CO INC	OIL	97.26
HANSEN LOCKSMITHING	REPAIRS	665.00
HARTINGTON TREE LLC	TREE TRIMMING	1,000.00
HAUGER YARD/SNOW SERVICE	MOWING	116.60
HAWKINS INC	CHEMICALS	2,580.89
HD SUPPLY WATERWORKS	SUPPLIES	14,081.84
HDR ENGINEERING, INC	PROFESSIONAL SERVICES	30,000.00
HEALTH CARE LOGISTICS	SUPPLIES	305.72
HELMS & ASSOCIATES	PROFESSIONAL SERVICES	2,749.28
HERREN-SCHEMPP BUILDING	SUPPLIES	344.70
HIGMAN SAND & GRAVEL	SAND	324.33
HILLYARD FLOOR CARE SUPPLY	SUPPLIES	32.44
HY VEE FOOD STORE	SUPPLIES	202.46
IMPERIAL HEADWEAR, INC	MERCHANDISE	251.90
IN CONTROL, INC	PROFESSIONAL SERVICES	1,348.38
INDEPENDENCE WASTE	HAULING/TOILET RENTAL	1,969.90
INGRAM	BOOKS	469.17
JACKS UNIFORM & EQPT	UNIFORMS	165.80
JAYMAR	SUPPLIES	712.50
JESSICA WADE	BOOT REIMBURSEMENT	100.00
JOHN A CONKLING DIST.	MERCHANDISE	5,041.53
JOHNSON BROTHERS FAMOUS BRANDS	MERCHANDISE	18,993.16
JOHNSON CONTROLS	REPAIRS	2,099.28
JONES FOOD CENTER	MERCHANDISE	1,167.76
JONES LIBRARY SALES, INC	LIBRARY FURNITURE	1,835.00
JULIE MCCAHCEN	REFUND POOL FEES	37.50

KARSTEN MFG CORP	MERCHANDISE	734.83
KIRBY BUILT QUALITY PRODUCTS	SUPPLIES	40.00
KNOLOGY, INC	911 CIRCUIT	1,365.50
KOLETZKY IMPLEMENT	PARTS	165.00
LARSON DATA COMMUNICATIONS	REPAIRS	799.95
LAWSON PRODUCTS INC	SUPPLIES	76.34
LAYNES WORLD	AWARDS	325.34
LEGETTE, BRASHEARS & GRAHAM	PROFESSIONAL SERVICES	4,699.33
LEISURE LAWN CARE	TREATMENT/REPAIRS	699.04
LIFETIME GALLERIES	BOOKS	971.00
LINCOLN MUTUAL LIFE & CASUALTY	INSURANCE	425.20
LOCATORS AND SUPPLIES, INC	SUPPLIES	305.42
LP GILL, INC	TIRE DISPOSAL	427.00
MAGUIRE IRON, INC	WATER TOWER	135,558.00
MALLOY ELECTRIC	PARTS	149.52
MARKS MACHINERY	PARTS	158.08
MART AUTO BODY	TOWING	75.00
MATHESON TRI-GAS, INC	OXYGEN	358.79
MCCULLOCH LAW OFFICE	PROFESSIONAL SERVICES	1,432.86
MEAD LUMBER	SUPPLIES	1,268.40
MEDICAL WASTE TRANSPORT	HAUL MEDICAL WASTE	85.53
MEDMEDIA INC	MAINTENANCE	380.00
MENARDS	SUPPLIES	309.40
MICROFILM IMAGING SYSTEMS	SERVICE AGREEMENT	360.00
MIDWEST ALARM CO	ALARM MONITORING	63.00
MIDWEST BUILDING MAINTENANCE	MAT SERVICE	329.90
MIDWEST READY MIX & EQUIPMENT	SUPPLIES	3,316.20
MIDWEST TURF & IRRIGATION	PARTS	412.33
MINITEX LIBRARY	SUPPLIES	378.00
MISSOURI VALLEY MAINTENANCE	REPAIRS	1,190.00
MOBILE ELECTRONIC SERVICE	INSTALL EQUIPMENT	247.50
MOORE WELDING & MFG	REPAIRS	64.50
N B GOLF LLC	MERCHANDISE	4,083.66
NATIONAL FIRE PROTECTION ASSOC	SUPPLIES	225.25
NCL OF WISCONSIN, INC	SUPPLIES	204.69
NETSYS+	REPAIRS/SERVICE	8,766.97
NEW YORK LIFE	INSURANCE	94.02
NEWMAN TRAFFIC SIGNS	SUPPLIES	726.81
NIKE INC	MERCHANDISE	269.51
NORTHERN TRUCK EQPT CORP	PARTS	499.00
OFFICE SYSTEMS CO	MAINTENANCE AGREEMENT	431.89
OLSON MEDICAL CLINIC	EMPLOYMENT SERVICES	259.00
OVERHEAD DOOR OF SIOUX CITY	REPAIRS	281.00

PCC, INC	JULY COMMISSION	1,325.40
PEDERSEN MACHINE INC	PARTS	73.36
PENNINGTON COUNTY SHERIFF	PROFESSIONAL SERVICES	300.00
PFEIFER IMPLEMENT CO.	PARTS	229.28
PNC EQUIPMENT FINANCE	DEFIBRILLATOR LEASE	741.27
POSITIVE PROMOTIONS	OPEN HOUSE SUPPLIES	805.59
PRAIRIE BERRY WINERY	MERCHANDISE	1,044.00
PRESSING MATTERS	NOTARY SEAL	31.00
PRESTO-X-COMPANY	INSPECTION/TREATMENT	92.27
PRINT SOURCE	ADVERTISING	450.00
PUMP N PAK	FUEL	2,078.26
QUEEN CITY WHOLESALE	MERCHANDISE	863.63
QUILL	SUPPLIES	618.46
RACOM CORPORATION	MAINTENANCE CONTRACT	386.75
RAGNASOFT, INC	SOFTWARE SUBSCRIPTION	1,225.00
RANDOM HOUSE, INC	BOOKS	153.75
RASMUSSEN MOTORS, INC	REPAIRS	51.79
RECORDED BOOKS, INC	BOOKS	1,381.75
RECREATION SUPPLY CO.	SUPPLIES	25.35
REINHART FOODSERVICE, LLC	MERCHANDISE	1,480.39
REPUBLIC NATIONAL DISTRIBUTOR	MERCHANDISE	23,698.98
RESCO	PARTS	299.70
RIBS, RODS & ROCK N' ROLL	COMMUNITY PROMOTION	5,000.00
ROCKMOUNT RESEARCH & ALLOY	SUPPLIES	129.32
SALINA VORTEX CORPORATION	PARTS	236.69
SAMUAL LEIDHOLT	REFUND SERVICE FEES	40.60
SANITATION PRODUCTS	PARTS	1,006.70
SD ASSOC. OF RURAL WTR SYSTEM	ANNUAL DUES	1,000.00
SD PUBLIC ASSURANCE ALLIANCE	INSURANCE	383.00
SD RETIREMENT SYSTEM	CONTRIBUTIONS	69,806.49
SD SECRETARY OF STATE	NOTARY BOND	30.00
SDWWA	REGISTRATION	140.00
SERVALL TOWEL & LINEN	SUPPLIES	16.80
SIOUX FALLS TWO WAY RADIO	REPAIRS	1,863.32
SOOLAND BOBCAT	EQUIPMENT	257.34
STERN OIL CO.	FUEL	5,700.22
STEWART OIL-TIRE CO	REPAIRS	292.85
STURDEVANTS AUTO PARTS	PARTS	692.84
TAYLOR MADE	MERCHANDISE	62.70
TEAM GOLF	MERCHANDISE	510.19
THATCHER COMPANY	CHEMICALS	6,837.60
THE EQUALIZER	ADVERTISING	106.75
THE KNOX COMPANY	AMBULANCE EQUIPMENT	3,260.00

THOMSON WEST	SUBSCRIPTION	181.00
TIGERT ART GALLERY	FRAMING	260.00
TITAN MACHINERY	PARTS	115.28
TITLEIST DRAWER CS	MERCHANDISE	548.13
TOPKOTE INC	CHIP SEALING	39,124.82
TRI STATE INSULATION CO INC	REPAIRS	1,210.49
TRI TECH SALES	SUPPLIES	455.87
TRI-B-TRIM SHOP	REPAIRS	155.00
TRUE VALUE	SUPPLIES	481.92
ULTRAMAX	SUPPLIES	2,462.00
UNITED PARCEL SERVICE	SHIPPING	35.26
UNITED WAY	CONTRIBUTIONS	522.80
US POSTAL SERVICE	POSTAGE	286.55
VAN DIEST SUPPLY CO	CHEMICALS	1,433.10
VERIZON WIRELESS	TELEPHONE	432.55
VERMILLION ACE HARDWARE	PARTS	1,298.35
VERMILLION CONCRETE	CONSTRUCTION CONTRACT	4,888.44
VERMILLION FORD	PARTS	536.23
VESSCO, INC	PARTS	376.27
VISA/FIRST BANK & TRUST	CHARGES	3,754.68
WAL-MART COMMUNITY	SUPPLIES	1,087.35
WALT'S HOMESTYLE FOODS, INC	MERCHANDISE	120.00
WAM USA, INC	SUPPLIES	404.79
WELFL CONSTRUCTION CO	LIBRARY EXP/REMODEL FINAL	4,614.00
WESCO DISTRIBUTION, INC	PARTS	4,178.87
WITTEK	MERCHANDISE	252.28
YANKTON JANITORIAL SUPPLY	SUPPLIES	1,118.36
YANKTON MEDICAL CLINIC	EMPLOYMENT SERVICES	19.00
ZEE MEDICAL SERVICE	SUPPLIES	67.10
ZIMCO SUPPLY CO	SUPPLIES	185.00
ZUERCHER TECHNOLOGIES LLC	SUBSCRIPTION	12,705.00
FRANCIS HEINE	BRIGHT ENERGY REBATE	275.00
CLG LLC	BRIGHT ENERGY REBATE	5,290.00

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

12. Consensus Agenda - None

13. Adjourn

285-13

Alderman Osborne moved to adjourn the Council Meeting at 7:57 p.m. Alderman Meins seconded the motion. Motion carried 8 to 0. Mayor Powell declared the motion adopted.

Dated at Vermillion, South Dakota this 3<sup>rd</sup> day of September, 2013.

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  
RECOGNIZING SEPTEMBER 23-29, 2013  
AS UNITED WAY OF VERMILLION WEEK**

**WHEREAS**, The United Way of Vermillion helps our community grow stronger and healthier by working with non-profit agencies, businesses, governmental units, local schools, organizations, and individuals; and

**WHEREAS**, the programs and services supported by the United Way of Vermillion involve health, wellness, nutrition, education, recreation, culture, and social services for our youth, seniors, and those with special needs; and

**WHEREAS**, many of our citizens benefit from the efforts of those who contribute their time, talent, and resources to help the United Way of Vermillion to build a stronger community.

**NOW, THEREFORE**, we the governing body of the City of Vermillion, South Dakota, do hereby proclaim the week of September 23<sup>rd</sup> through September 29<sup>th</sup>, 2013 as

**UNITED WAY OF VERMILLION WEEK**

and encourage all citizens to join together with the United Way of Vermillion in Giving Together to Build a Stronger Community.

Dated at Vermillion, South Dakota this 16th day of September, 2013.

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

By: \_\_\_\_\_  
John E. (Jack) Powell, Mayor

ATTEST:

By: \_\_\_\_\_  
Michael D. Carlson, Finance Officer

**PROCLAMATION**

**CITY OF VERMILLION RECOGNIZES LORI KOBER AS AN  
OUTSTANDING CITIZEN WITH A DISABILITY**

**WHEREAS**, Lori Kober is a citizen of the City of Vermillion, South Dakota; and

**WHEREAS**, Lori Kober, serves as the funeral director and co-owner of Kober Funeral Home in Vermillion, South Dakota; and

**WHEREAS**, on Monday, September 9, 2013, in Pierre, South Dakota, Governor Dennis Daugaard presented Lori with an award as an outstanding citizen with a disability; and

**WHEREAS**, this award is given to an individual with a disability in recognition of outstanding achievements in living with a disability and promoting independent living and employment opportunities for other individuals with disabilities.

**NOW, THEREFORE** we, the governing body of the City of Vermillion, do hereby proclaim the 16<sup>th</sup> day of September in honor of Lori Kober as an outstanding citizen with a disability, and call upon the residents of this great city to join in congratulating Lori Kober for her achievements.

Dated at Vermillion, South Dakota this 16<sup>th</sup> day of September, 2013.

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:** September 16, 2013

**Subject:** Resolution Approving the Special Assessment Roll and Notice of Special Assessments for Nuisance Abatement

**Presenter:** Mike Carlson

**Background:** On August 5<sup>th</sup>, the City Council adopted a resolution setting a public hearing date of September 3<sup>rd</sup> for nuisance abatement special assessments. At the September 3<sup>rd</sup> public hearing the City Council adopted the special assessment roll for three of the four properties listed and recessed the hearing on the Apostolic Faith Church assessment until a future meeting in order to review the costs associated with the removal of the dangerous structure. The listing of the costs incurred for the dangerous building removal at 23 N. Harvard are listed under financial considerations.

As background, a building permit was issued on October 5, 2010 to the Apostolic Faith Church to move an existing house located at 214 E. Main to 23 N. Harvard. The building was moved to the site but no foundation was installed. On March 8, 2011, Code Enforcement sent a letter warning the owners that unless a foundation was installed, and the house placed on the foundation, it would be declared a dangerous building. Code officials worked with the owners until, finally, on July 1, 2011, the foundation was poured. Foundation walls were constructed later that year but no windows were installed and the foundation was not back filled. Construction debris and dirt piles were left on the site that obstructed the sidewalk and visibility at the intersection of Harvard Street and National Street. The exterior of the structure was unfinished and left open. Code Enforcement attempted to work with the owners to move the project along, improve site conditions and clear the sidewalk. The owners removed some construction debris and installed a very poorly constructed fence, but failed to clear the sidewalk. On November 2, 2011, Code Enforcement hired Walker Construction to remove the remaining debris and clear the sidewalk at a cost of \$164.30.

On November 9, 2011, the City issued a letter declaring the structure as unsafe and required work to be done to render the structure temporarily safe. No work was done by the owners and the City had to perform the required work to make the structure and site safe at a cost of \$1,218.35. As part of the discussion in June 2012 on the Church completing the project, it was noted that the payment for these two invoices had not been

received. On Monday, June 11, 2012 the final payment was made on both outstanding invoices. It was also noted in June 2012 that the property taxes on the property were not current and the question was raised if the contract for deed with Dennis Klein was current. Payment was made on the back taxes (2008, 2009, 2010 & 2011) in June 2012 and the contract for deed was amended to bring it current.

At the June 18, 2012 meeting the City Council action was approval of the Agreement for Building Permit and Suspension of Dangerous Building Notice and Order as presented, for the property at 23 N. Harvard, with the Apostolic Faith Church. That agreement required a building permit to be issued by no later than the close of business on June 22, 2012 and the failure to obtain a building permit or comply with any other conditions contained in the agreement would make the agreement null and void and the order for demolition will be affirmed with the church being allowed 30 days to remove the dangerous building or the city will abate the nuisance and bill the church for the costs. The June 22 deadline passed without the bond as required by the agreement. The 30 days provided for the church to remove the dangerous building passed without any activity.

The Apostolic Faith Church filed a complaint seeking a Temporary Restraining Order and Preliminary Injunction preventing the City from proceeding with demolition of the property on October 18, 2012. A hearing before the First Judicial Circuit Court was held on September 5, 2012 for dismissal of the entire action with a ruling dated October 18, 2012 that the certiorari claim is not dismissed. A hearing before the First Judicial Circuit Court on the Writ of Certiorari was held on December 5, 2012 with the ruling in favor of the City dated January 8, 2013 with the Final Judgment signed by Judge Jensen on January 23, 2013.

**Discussion:** The attaching of the costs of the nuisance abatement, in this case the removal of the dangerous building, as a special assessment may seem harsh, but it provides the City the ability to encourage the property owners abate nuisances. If nothing is done by the owner, the City is forced to take action and the amount will be assessed against the property. The assessments become a lien against the property and will remain so until paid. If the owner sells the property after it is assessed, the City is protected by the special assessment lien on the property.

The special assessments approved on September 3<sup>rd</sup> also included the removal of a dangerous structure (garage) at 15 Linden that was done by the Street Department at a cost of \$1,145.11. This structure was removed by the City because the property owner did not take action to abate the nuisance. There were also dangerous structures removed in prior years on Cottage, University Street, Center Street and Maple Street when the owners did not abate the nuisance forcing the City to take action. In three of these cases

the City reduced the special assessment amounts when presented with a plan to sell the property to a new owner who agrees to make improvements and/or maintain the property.

A review of the Beacon Clay County web site indicates that the first half of the taxes for the property located at 23 National in the amount of \$358.41 is in arrears. As when the City was entering into negotiations in 2012 the question was raised if the Church was current on the contract for deed or if the other party to the Contract for Deed should be included. The notice of hearing was mailed to Dennis Klein with no response received.

The adjustment of a portion of this special assessment without a plan to improve the site or a new owner may set a precedent where others may decline to abate a nuisance only to have the work done by the City and then request the costs be reduced. The property owner failing to abate the nuisance would then receive the benefit of a reduced cost to abate nuisances paid by the City.

Should the Church present a plan to improve the property with a structure which would increase the property value, evidence that the contract for deed is current and that the property taxes would be kept current the City could enter into an agreement to abate a portion of the special assessment at a time specific if the improvements are complete.

**Financial Consideration:** The City abated the dangerous building located at 23 N. Harvard on February 5 & 6, 2013. The work was performed by 10 City employees from the Street Department, Water Department and Parks Department. It should be noted that Department Head or Code Enforcement employee wages were not included in the labor amounts. The equipment used was from the Street Department, Water Department, Landfill and an excavator leased from Midwest Equipment. The material was hauled to the landfill consisting of just over 52 tons in 28 trips to the landfill. The backfill material was to fill the hole left when the basement was removed and consisted of 53 truckloads of backfill material hauled from a stockpile by the airport. The out-of-pocket costs would be the excavator rental of \$700, the insurance on the leased excavator \$100, and the landfill fees of \$2,200.03 plus sales tax.

It should be noted that there were considerable costs incurred by the City for the City Attorney in preparing agreements and representing the City in the court as well as staff time that is not included in any of the amounts presented.

## 7. Old Business; item a

City Equipment	hours	rate		
Dump truck 280 tandom	7	105.00	735.00	
Dump truck 270 single	7	95.00	665.00	
Dump truck 213 single	6	95.00	570.00	
Dump truck 230 single	7	95.00	665.00	
Dump truck 260 single	3	95.00	285.00	
Dump truck 380 single	3	95.00	285.00	
Rolloff container & truck	4	105.00	420.00	
Loader 250	5	160.00	800.00	
Loader 220	3	170.00	510.00	
Backhoe	4	125.00	500.00	
Skid steer	1	90.00	<u>90.00</u>	
Subtotal City Equipment			5,525.00	
Leased Equipment Costs				
Excavator Rental			700.00	
Excavator insurance SDPAA			<u>100.00</u>	
Subtotal Leased Equipment			<u>800.00</u>	
Total Equipment				6,325.00
City Employee Labor	hours	rate		
	1	8	19.33	154.64
	2	8	23.67	189.36
	3	7	23.67	165.69
	4	6	19.75	118.50
	5	7	26.51	185.57
	6	6	21.13	126.78
	7	5	22.84	114.20
	8	4	21.95	87.80
	9	6	26.01	156.06
	10	3	21.14	<u>63.42</u>
Total Labor				1,362.02
Backfill	tons	rate		
Truck 270	349.5	0.90	314.55	
Truck 213	92.4	0.90	83.16	
Truck 230	199.7	0.90	179.73	
Truck 280	240.4	0.90	<u>216.36</u>	
Total Backfill material				793.80
Landfill fees				<u>2,200.30</u>
Subtotal				10,681.12
Sales Tax				<u>640.87</u>
Total				11,321.99

**Conclusion/Recommendations:** Administration recommends adoption of the resolution assessing the Apostolic Faith Church \$11,321.99 for abatement of the dangerous structure at 23 N Harvard at this time. When there is an acceptable plan in place to improve the property for the neighborhood, the City Council could consider a resolution to reduce the outstanding special assessment in exchange for the improved property.

**RESOLUTION APPROVING THE SPECIAL ASSESSMENT ROLL  
AND NOTICE OF SPECIAL ASSESSMENTS  
FOR NUISANCE ABATEMENT  
IN THE CITY OF VERMILLION, SOUTH DAKOTA**

**WHEREAS**, the Governing Body of the City of Vermillion, Clay County, South Dakota has established a special assessment roll for defraying the cost of nuisance abatement against the several tracts of real property upon:

**NUISANCE ABATEMENT** as listed at the end of this Resolution

in the City of Vermillion, Clay County, South Dakota. The assessment roll was filed in the office of the City Finance Officer of the City of Vermillion, South Dakota on the 5<sup>th</sup> day of August, 2013.

**WHEREAS**, said Governing Body, by resolution, fixed this time and place for hearing upon the assessment roll for the 3<sup>rd</sup> day of September, 2013 and directed the City Finance Officer of the City of Vermillion, Clay County, South Dakota to publish a Resolution and Notice for such hearing in the official newspaper of Vermillion, South Dakota, one week prior to the date set for said hearing. Said Resolution and Notice described, in general terms, the improvement for which the special assessment is levied, the date of filing of the assessment roll, the time and place for the hearing, that the assessment roll would be open for public inspection at the office of the City Finance Officer of Vermillion, South Dakota, and referred to the assessment roll for further particulars. The Finance Officer was further directed to mail a copy of the Resolution and Notice by first-class mail, postage thereon fully prepaid, addressed to the property owners of any property to be assessed for such improvement at their address, as shown by the records of the Director of Equalization, at least one week prior to the date set for the hearing; and

**WHEREAS**, it now appears that the Finance Officer has caused notice of the hearing to be given in the manner provided by the aforementioned Resolution and Notice, and by law; and

**WHEREAS**, at the September 3<sup>rd</sup> public hearing the City Council moved to recess the public hearing until a future meeting to allow time to review the nuisance abatement costs for the property at 23 N. Harvard; and

**WHEREAS**, all persons interested have been given an opportunity to appear and show cause why the Governing Body should not approve the assessment roll, and the assessments against the respective premises of the owners, and the Governing Body has determined that the assessment roll is in all respects true and correct, and according to law.

**NOW, THEREFORE, IT IS RESOLVED**, by the Governing Body of the City of Vermillion, Clay County, South Dakota that the special assessment roll is hereby approved without amendment or change.

**BE IT FURTHER RESOLVED**, that the approved assessment roll be filed in the office of the City Finance Officer the day after approval of the assessment roll. The City Finance Officer shall publish once in the official newspaper of Vermillion, South Dakota, a copy of this Resolution and Notice, along with the approved assessment roll.

**BE IT FURTHER RESOLVED**, that the City Finance Officer shall immediately mail to the owner, or owners, of each lot, parcel or piece of ground as shown by the assessment roll, a copy of this Resolution and Notice along with the approved assessment roll.

**NOTICE IS HEREBY GIVEN**, that the assessments mentioned in the assessment roll will be payable according to the provisions of Plan One as set forth in SDCL Sections 9-43-102 to 9-43-113.

**NOTICE IS FURTHER GIVEN**, that any assessment under Plan One, or any installment thereof, may be paid without interest to the City Finance Officer whose office is located in the Municipal Building at 25 Center Street in the City of Vermillion, South Dakota, at any time within thirty (30) days after the filing of the approved assessment roll in the office of said City Finance Officer. Thereafter and prior to the due date of the first installment, the entire assessment remaining, plus interest thereon from the filing date to the date of payment may be paid to the said City Finance Officer. No installment under Plan One shall be paid to the said City Finance Officer on or after its due date, and on and after said date such installment shall be paid only to the County Treasurer with interest.

**NOTICE IS FURTHER GIVEN**, that the approved assessment roll will be filed with the City Finance Officer on 17<sup>th</sup> day of September, 2013. The assessment is payable in one (1) installment at ten percent (10%) per annum interest on unpaid installments. The first installment due date is January 1, 2014.

The assessment roll herein referred to is as follows.

Lot: W 71' of N ½ of Lots 8 & W 71' of Lot 9 Block 62 Bigelows Addition  
Parcel Number: 15050-06200-090-00  
Owner: Apostolic Faith Church contract for deed with Dennis A. Klein  
Service: removal of dangerous structure  
Total: \$11,321.99

Dated at Vermillion, South Dakota, this 16<sup>th</sup> day of September 2013.

THE GOVERNING BODY OF THE CITY OF  
VERMILLION, CLAY COUNTY, SOUTH DAKOTA

\_\_\_\_\_  
John E. Jack Powell, Mayor

ATTEST:

\_\_\_\_\_  
Michael D. Carlson, Finance Officer

(SEAL)

## CERTIFICATE OF ADOPTION

Adoption of the above and foregoing Resolution and Notice was moved by Alderman \_\_\_\_\_, seconded by Alderman \_\_\_\_\_, and said Resolution and Notice was thereafter put to a vote of the Governing Body, whereupon \_\_\_ members voted in favor thereof and \_\_\_ members voted in opposition thereto; said Resolution and Notice being by the Mayor declared adopted.

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Michael D. Carlson, Finance Officer

The amount of the assessment is payable, under Plan One, at the office of the Clay County Treasurer, in the Courthouse, in the City of Vermillion, Clay County, South Dakota, UNLESS paid to the City Finance Officer, whose office is located in the Municipal Building at 25 Center Street in the City of Vermillion, Clay County, South Dakota, within 30 days after the approved assessment roll is filed in the office of the City Finance Officer. Wherever the work "Lot" appears in this exhibit, it shall be construed to include tracts and other parcels of land.

## *Council Agenda Memo*

**From:** Ted Cherry, Administrative Intern

**Meeting:** September 16, 2013

**Subject:** Second Reading of Ordinance 1304 – Amending Chapter 155 Fences

**Presenter:** Ted Cherry

**Background:** There is an abundance of varieties of residential perimeter fences available for the general public to install. This ordinance will help guide property owners on acceptable aesthetics. There are currently no ordinances regulating which side of the fence faces outwards on properties. Most fences are installed with the finished side facing out.

**Discussion:** The proposed ordinance would be an addition to the existing ordinances in place regulating residential fences in city limits. Residents would have additional criteria to meet when installing a perimeter fence on their property which abuts city property or faces a street/alleyway. This ordinance would not only give residents direction to follow when purchasing and building fences, but will also allow the fences in neighborhoods to be more aesthetically pleasing and cohesive.

The added ordinance is not expected to pose undue effects on property owners if they plan on installing fences. The requirement would be brought to the attention of the person taking out the required fence permit. All other ordinances regulating fence installation will still be in effect.

Proposed Ordinance No. 1304 was presented to the Vermillion Planning Commission on August 12, 2013. The Planning Commission recommended adoption of Ordinance No. 1304 at that meeting.

**Financial Consideration:** The only cost is for the required publication of the ordinance.

**Conclusion/Recommendations:** Administration recommends that the City Council adopt Ordinance No. 1304. As this is the second reading, a roll call vote is required.

ORDINANCE NO. 1304

AN ORDINANCE AMENDING CHAPTER 155 SECTION 155.074, OF THE REVISED ORDINANCES OF THE CITY OF VERMILLION, SOUTH DAKOTA, TO ADD GUIDELINES FOR FENCE INSTALLATION.

BE IT ORDAINED, by the Governing Body of the City of Vermillion, South Dakota, that Chapter 155 Section 155.074 is amended to add the following:

155.074 FENCES

(I) All exterior fences constructed, which are parallel to and/or face the street/alley or public property, shall have the smooth/finished side, the side without the support bracings or frame, of the fence facing toward the outside when there is only one smooth/finished side.

Dated at Vermillion, South Dakota this 16<sup>th</sup> day of September, 2013

THE GOVERNING BODY OF THE CITY  
OF VERMILLION, SOUTH DAKOTA

BY \_\_\_\_\_  
John E. (Jack) Powell, Mayor

ATTEST:

BY: \_\_\_\_\_  
Michael D. Carlson, Finance Officer

First Reading: September 3, 2013  
Second Reading: September 16, 2013  
Published: September 27, 2013  
Effective: October 17, 2013

## *Council Agenda Memo*

**From** Mike Carlson, Finance Officer  
**Meeting:** September 16, 2013  
**Subject:** 2014 Appropriations Ordinance No. 1305  
**Presenter:** John Prescott, City Manager

**Background:** SDCL 9-21-2 addresses the need for the City Council to adopt an annual budget:

The governing body of each municipality shall, no later than its first regular meeting in September of each year or within ten days thereafter, introduce the annual appropriation ordinance for the ensuing fiscal year, in which it shall appropriate the sums of money necessary to meet all lawful expenses and liabilities of the municipality. The ordinance shall specify the function and subfunction as prescribed by the Department of Legislative Audit for which the appropriations are made and the amount appropriated for each function and subfunction, which amount shall be appropriated from the proper fund. It is not necessary to appropriate revenue to be expended from an enterprise or trust and agency fund if the fund is not supported or subsidized by revenue derived from the annual appropriated tax levy. However, an annual budget for these funds shall be developed and published no later than December thirty-first of each year.

The City Council approved first reading of the 2014 budget ordinance at the September 3, 2013 meeting. There have been no changes to the Ordinance since it was presented at the September 3rd meeting.

**Discussion:** The City Manager prepared and presented a budget to the City Council at the August 5<sup>th</sup> meeting. The City Council reviewed the proposed budget during hearings held on August 13<sup>th</sup> and 14<sup>th</sup>, 2013. The City Council's revisions from the budget hearings have been incorporated into the appropriation ordinance. The City Council revisions increased the appropriation from reserve to the general fund from \$196,194 to \$210,282.

**Financial Consideration:** The City Council must adopt an ordinance to provide for 2014 operations.

**Conclusion/Recommendations:** Administration recommends approval of the second reading of the 2014 Appropriations Ordinance No. 1305. As this is second reading of the ordinance, a roll call vote is required.

PROPOSED ORDINANCE NO. 1305  
 2014 APPROPRIATION ORDINANCE

AN ORDINANCE ADOPTING the 2014 Appropriations Ordinance for the  
 City of Vermillion, South Dakota.

BE IT ORDAINED BY THE GOVERNING BODY of the City of Vermillion that the following  
 sums are appropriated to meet the obligations of the municipality.

2014 Budget

**GENERAL FUND**

REVENUES:

General Property Taxes	2,037,500	
Sales Tax	1,600,000	
Penalties & Interest	4,000	
Licenses & Permits	135,150	
Cable TV Franchise	110,000	
State Intergovernmental	254,950	
County Intergovernmental	104,200	
Charges for Goods & Services	548,540	
Fines & Forfeits	41,050	
Miscellaneous Revenues	87,800	
<b>TOTAL GENERAL FUND REVENUES</b>		<b>4,923,190</b>

EXPENDITURES:

Policy & Administration:

General Government	549,853	
Finance Office	172,861	
Engineering	297,459	
Planning & Zoning	800	
Code Compliance	197,819	
Community Promotion	47,000	
<b>Total Policy &amp; Administration</b>		<b>1,265,792</b>

Public Safety & Security:

Police Administration & Invest.	446,493	
Police Patrol	1,242,625	
Fire & Rescue	207,530	
Emergency Management	3,300	
Ambulance	323,166	
<b>Total Public Safety &amp; Security</b>		<b>2,223,114</b>

Maintenance & Transportation:

Municipal Garage	136,467	
Municipal Service Center	33,750	
Street Department	707,444	
Snow Removal	70,628	
Sweeping & Mowing	109,697	
Carpentry	32,614	
City Hall Maintenance	70,500	
Old Library Maintenance	5,000	
Old Landfill Maintenance	12,000	
Airport	123,423	
<b>Total Maintenance &amp; Transportation</b>		<b>1,301,523</b>



Human Development & Leisure Services:

Library	567,380	
Parks & Forestry	286,652	
Swimming Pool	110,154	
Recreation	177,222	
Mosquito Control	20,756	
National Guard Armory Center	59,661	
Total Human Development & Leisure		<u>1,221,825</u>
TOTAL GENERAL FUND EXPENDITURES		<u>6,012,254</u>

GENERAL FUND NEEDS (1,089,064)

Transfer from Electric Fund	803,117	
Transfer from Water Fund	2,306	
Transfer from Sewer Fund	1,402	
Transfer from Liquor Fund	194,200	
Transfer from Capital Projects	8,800	
Transfer from Utilities Engineering Fees	136,387	
Transfer to 911 Fund - Communications	(267,430)	
Appropriation from Reserve	210,282	
GENERAL FUND BALANCE		<u><u>0</u></u>

**SPECIAL REVENUE FUNDS**

SECOND CENT SALES TAX FUND

Revenues	1,612,500	
Expenditures - Second Cent Sales Tax	789,100	
Transfer in Airport Capital Projects	(7,500)	
Transfer to Bike Path	(42,557)	
Transfer to TIF #6	(362,300)	
Transfer to City Hall Debt Service Fund	(344,934)	
Appropriation from Reserve	(66,109)	
SECOND CENT SALES TAX FUND BALANCE		<u><u>0</u></u>

PARKS IMPROVEMENT FUND

Revenues-Recreation Fees	4,020	
Expenditures - Parks Improvements	4,020	
PARKS IMPROVEMENT FUND BALANCE		<u><u>0</u></u>

BBB SALES TAX FUND

Revenues	323,500	
Expenditures	272,400	
Appropriation to Reserve	(51,100)	
BBB SALES TAX FUND BALANCE		<u><u>0</u></u>

911 FUND -COMMUNICATIONS

Revenues	292,929
Expenditures	560,359
Transfer in General Fund	267,430
911FUND FUND BALANCE	<u>0</u>

STORMWATER MAINTENANCE FUND

Revenues - Stormwater Fees	202,500
Expenditures:	114,499
Transfer to TIF #6	(125,501)
Appropriation from Reserve	37,500
STORMWATER FEE FUND BALANCE	<u>0</u>

LIBRARY FINE AND GIFT FUND

Revenues- Library Fine & Gifts	11,700
Expenditures - Library	9,000
Appropriation to Reserve	(2,700)
LIBRARY FINE AND GIFT FUND BALANCE	<u>0</u>

**DEBT SERVICE FUNDS**

DEBT SERVICE--SPECIAL ASSESSMENT FUND

Revenues	66,898
Expenditures	66,898
Interfund Loan	118,800
Transfer to Capital Projects	(118,800)
DS SPECIAL ASSESSMENT FUND BALANCE	<u>0</u>

DEBT SERVICE-- TIF District No. 6

Expenditures	43,300
Transfer from Sales Tax	43,300
DEBT SERVICE - TIF 6 FUND BALANCE	<u>0</u>

DEBT SERVICE - CITY HALL

Revenues	7,000
Expenditures	351,934
Transfer in Sales Tax Fund	344,934
DEBT SERVICE - CITY HALL FUND BALANCE	<u>0</u>

**CAPITAL PROJECTS FUNDS**

CAPITAL PROJECTS FUND - SPECIAL ASSESSMENT

Expenditures	110,000
Transfer to General Fund	(8,800)
Transfer from Debt Service	118,800
CP SPECIAL ASSESSMENT FUND BALANCE	<u>0</u>

CAPITAL PROJECTS FUND - AIRPORT

Revenues	142,500
Expenditures	150,000
Transfer from Second Cent Sales Tax	7,500
CP AIRPORT FUND BALANCE	<u>0</u>

CAPITAL PROJECTS FUND - BIKE PATH

Revenues	162,443
Expenditures	205,000
Transfer from Second Cent Sales Tax	42,557
CP BIKE PATH FUND BALANCE	<u>0</u>

CAPITAL PROJECTS FUND - W MAIN MILL & OVERLAY

Revenues	19,540
Expenditures	19,540
CP W MAIN MILL & OVERLAY FUND BALANCE	<u>0</u>

CAPITAL PROJECTS FUND - BLISS POINTE TIF 6

Expenditures	813,936
Transfer from Stowmwater Fund	125,501
Transfer from Sales Tax	319,000
Appropriation from Reserve	369,435
CP BLISS POINTE TIF 6 FUND BALANCE	<u>0</u>

**INTERNAL SERVICE FUNDS (Information Only)**

	Unemployment Fund	Copier - Fax- Postage Fund	Custodial Fund	Equipment Replacement Fund
<u>Revenues</u>				
Internal Dept Charges		18,650	84,520	418,330
Interest on Investments	80			2,000
Other Revenues				283,000
Total Revenues	<u>80</u>	<u>18,650</u>	<u>84,520</u>	<u>703,330</u>
<u>Expenditures</u>				
Personnel			81,423	
Operating Expenses	80	18,500	3,200	
Capital			500	649,700
Total Expenditures	<u>80</u>	<u>18,500</u>	<u>85,123</u>	<u>649,700</u>
Transfer Out (In)				
(To) From Reserve		(150)	603	(53,630)
Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

**UTILITY AND ENTERPRISE FUNDS (Information Only)**

	Electric Fund	Water Fund	Wastewater Fund	Joint Powers Fund	Liquor Fund	Golf Course Fund	Curbside Recycling Fund
<u>Revenues</u>							
Sales	5,723,900	1,400,000	1,470,000	1,257,825	1,238,000	702,790	114,000
Surcharge	783,000	260,000	321,000				
Other Revenue	78,000	50,500	22,600	15,000		72,700	300
Interest	171,600	7,566	7,082	6,000	1,500	3,750	
Bond Proceeds		225,000		746,900			
Grants		25,000		213,100			
Total Revenues	<u>6,756,500</u>	<u>1,968,066</u>	<u>1,820,682</u>	<u>2,238,825</u>	<u>1,239,500</u>	<u>779,240</u>	<u>114,300</u>
<u>Expenditures</u>							
Personnel	978,432	580,211	488,220	497,840		362,498	90,609
Operating Expenses	3,853,952	577,819	618,348	1,022,770	1,062,944	410,022	14,600
Capital	1,314,004	356,316	314,940	1,253,500	2,000		30,250
Debt Service		139,490	254,849	187,577			8,408
Debt Service Surchar	575,050	235,669	291,013				
Total Expenditures	<u>6,721,438</u>	<u>1,889,505</u>	<u>1,967,370</u>	<u>2,961,687</u>	<u>1,064,944</u>	<u>772,520</u>	<u>143,867</u>
Transfers Out	(884,950)	(38,583)	(28,679)		(194,200)		
Transfers In	9,000						
(To) From Reserve	840,888	(39,978)	175,367	722,862	19,644	(6,720)	29,567
Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

The City Manager is directed to certify the following dollar amount of tax levies in ordinance to the Clay County Auditor: \$2,075,000

Dated at Vermillion, South Dakota this 16th day of September, 2013.

THE GOVERNING BODY OF THE CITY OF  
VERMILLION, SOUTH DAKOTA

by \_\_\_\_\_  
John E. (Jack) Powell, Mayor

ATTEST:

BY \_\_\_\_\_  
Michael D. Carlson, Finance Officer

First Reading: September 3, 2013  
Second Reading: September 16, 2013  
Publish: September 27, 2013  
Effective: October 17, 2013

## *Council Agenda Memo*

**From:** Mike Carlson, Finance Officer  
**Meeting:** September 16, 2013  
**Subject:** Ordinance No. 1306 – 2013 Revised Appropriations  
**Presenter:** John Prescott, City Manager

**Background:** In order for the City Council to make changes to the 2013 budget, adopted in September 2012, a revised or supplemental appropriations ordinance is required. The proposed changes were presented to the City Council during the budget meetings on August 13<sup>th</sup> and 14<sup>th</sup>, 2013.

**Discussion:** The revised appropriations ordinance includes changes and adjustments made to the 2013 budget based upon actual financial information obtained, thus far, in 2013. Revenues and expenses for 2013 are different in some instances vs. what was anticipated in September 2012. In some cases, projects arise after the budget was adopted. In September 2012, the French East Addition, Bliss Pointe projects, repairs to the hike/bike path, West Main Street mill & overlay project and the impacts of the landfill fire were not anticipated or included in the budget.

The timing of a project can also impact the budget. When the 2013 budget was being developed, it was anticipated, and hoped, that the water tower would be underway by this time so expenditure of \$1.5 million was budgeted in the water fund. Now, following the bid opening, the funding and expenditures have been revised based on the latest construction schedule. The full \$1.5 million will not be expended during the 2013 budget year. The project will be completed in 2014.

The City Council approved first reading of the revised 2013 budget ordinance at the September 3, 2013 meeting. There have been no changes to the Ordinance since it was presented at the September 3<sup>rd</sup> meeting.

**Financial Consideration:** For the revisions to become effective, the City Council will need to adopt the revised appropriations ordinance.

**Conclusion/Recommendations:** Administration recommends that the City Council approve the second reading of the 2013 Revised Appropriations Ordinance No. 1306. As this is second reading of the ordinance, a roll call vote is required.

PROPOSED ORDINANCE NO. 1306  
 2013 REVISED APPROPRIATION ORDINANCE

AN ORDINANCE ADOPTING the 2013 Revised Appropriations Ordinance for the City of Vermillion, South Dakota.

BE IT ORDAINED BY THE GOVERNING BODY of the City of Vermillion that the following sums are appropriated to meet the obligations of the municipality.

	<u>2013 Revised Budget</u>	
<b>GENERAL FUND</b>		
<u>REVENUES:</u>		
General Property Taxes	1,775,350	
Sales Tax	1,568,000	
Penalties & Interest	4,000	
Licenses & Permits	132,650	
Cable TV Franchise	105,000	
State Intergovernmental	290,935	
County Intergovernmental	93,200	
Charges for Goods & Services	521,040	
Fines & Forfeits	41,050	
Miscellaneous Revenues	<u>87,614</u>	
TOTAL GENERAL FUND REVENUES		4,618,839
<u>EXPENDITURES:</u>		
<u>Policy &amp; Administration:</u>		
General Government	526,337	
Finance Office	164,268	
Engineering	315,557	
Planning and Zoning	800	
Code Compliance	191,442	
Community Promotion	<u>56,750</u>	
Total Policy & Administration		1,255,154
<u>Public Safety &amp; Security:</u>		
Police Administration & Invest.	431,994	
Police Patrol	1,136,758	
Fire & Rescue	208,384	
Emergency Management	3,900	
Ambulance	<u>303,320</u>	
Total Public Safety & Security		2,084,356
<u>Maintenance &amp; Transportation:</u>		
Municipal Garage	131,051	
Municipal Service Center	35,750	
Street Department	677,676	
Snow Removal	70,432	
Sweeping & Mowing	106,894	
Carpentry	31,564	
City Hall Maintenance	76,800	
Old Library Maintenance	10,000	
Old Landfill Maintenance	12,000	
Airport	<u>78,360</u>	
Total Maintenance & Transportation		1,230,527

Human Development & Leisure Services:

Library	548,569	
Parks & Forestry	263,850	
Swimming Pool	106,620	
Recreation	138,295	
Mosquito Control	19,814	
National Guard Armory Center	57,750	
Total Human Development & Leisure		<u>1,134,898</u>
TOTAL GENERAL FUND EXPENDITURES		<u>5,704,935</u>

GENERAL FUND NEEDS (1,086,096)

Transfer to 911 Fund	(280,336)
Transfer from Electric Fund	803,117
Transfer from Water Fund	2,306
Transfer from Sewer Fund	1,402
Transfer from Liquor Fund	194,200
Transfer from Capital Projects	13,735
Transfer from Sales Tax - Communicaitons	27,500
Transfer from Utilities Engineering Fees	136,387
Appropriation from Reserve	187,785
GENERAL FUND BALANCE	<u><u>0</u></u>

**SPECIAL REVENUE FUNDS**

SECOND CENT SALES TAX FUND

Revenues	1,581,100
Expenditures - Second Cent Sales Tax	594,000
Transfer to Bike Path Capital Projects	(49,600)
Transfer to Bluff Enterprise Fund	(200,000)
Transfer to Library Capital Projects	(547,900)
Transfer to Airport Capital Projects	(9,125)
Transfer to City Hall Debt Service Fund	(344,134)
Transfer to TIF #6	(18,523)
Transfer to General Fund Communications	(27,500)
Appropriation From Reserve	209,682
SECOND CENT SALES TAX FUND BALANCE	<u><u>0</u></u>

PARKS IMPROVEMENT FUND

Revenues-Recreation Fees	11,670
Expenditures - Parks Improvements	17,000
Appropriation from Reserve	5,330
PARKS IMPROVEMENT FUND BALANCE	<u><u>0</u></u>

BBB SALES TAX FUND

Revenues	314,100
Expenditures	279,000
Appropriation to Reserve	(35,100)
BBB SALES TAX FUND BALANCE	<u>0</u>

911 FUND -COMMUNICATIONS

Revenues	300,335
Expenditures	580,671
Transfer in General Fund	280,336
911FUND- FUND BALANCE	<u>0</u>

STORMWATER MAINTENANCE FUND

Revenues - Stormwater Fees	190,575
Expenditures:	192,000
Appropriation from Reserve	1,425
STORMWATER FEE FUND BALANCE	<u>0</u>

LIBRARY FINE AND GIFT FUND

Revenues- Library Fine & Gifts	13,500
Expenditures - Library	14,000
Transfer to Library Capital Projects	(5,000)
Appropriation From Reserve	5,500
LIBRARY FINE AND GIFT FUND BALANCE	<u>0</u>

STREETSCAPE FUND

Expenditures	364
Appropriation from Reserve	364
STREETSCAPE FUND BALANCE	<u>0</u>

**DEBT SERVICE FUNDS**

DEBT SERVICE--SPECIAL ASSESSMENT FUND

Revenues	70,186
Expenditures	70,186
Interfund Loan	131,000
Transfer to Capital Projects	(131,000)
SPECIAL ASSESSMENT FUND BALANCE	<u>0</u>

DEBT SERVICE-- TIF District No. 3

Revenues	151,912
Repayment of Electric Fund & Refund	(151,912)
DEBT SERVICE - TIF 3 FUND BALANCE	<u>0</u>

DEBT SERVICE - TIF District No. 4

Revenues	126,065
Expenditures	397,300
Appropriation from Reserve	271,235
DEBT SERVICE - TIF 4 FUND BALANCE	<u>0</u>

DEBT SERVICE - TIF District No. 6

Revenues	0
Expenditures	18,523
Transfer in Second Penny	18,523
DEBT SERVICE - TIF 6 FUND BALANCE	<u>0</u>

DEBT SERVICE - City Hall

Revenues	10,500
Expenditures	354,634
Transfer In Sales Tax Fund	344,134
DEBT SERVICE - CITY HALL FUND BALANCE	<u>0</u>

**CAPITAL PROJECTS FUNDS**

CAPITAL PROJECTS FUND - SPECIAL ASSESSMENT

Revenues	18,950
Expenditures	110,000
Transfer to General Fund	(13,735)
Transfer from Debt Service	131,000
Appropriation to Reserve	(26,215)
CP SPECIAL ASSESSMENT FUND BALANCE	<u>0</u>

CAPITAL PROJECTS FUND - BIKE PATH

Revenues	25,400
Expenditures	75,000
Transfer from Second Cent Sales Tax	49,600
CP BIKE PATH FUND BALANCE	<u>0</u>

CAPITAL PROJECTS FUND - AIRPORT

Revenues	173,375
Expenditures	182,500
Transfer From Second Cent Sales Tax	9,125
CP AIRPORT FUND BALANCE	<u>0</u>

CAPITAL PROJECTS FUND - BLISS POINTE TIF 6

Revenues	1,732,000
Expenditures	1,378,565
Appropriation to Reserve	369,435
Transfer from water fund	16,000
CP LIBRARY FUND BALANCE	<u>0</u>

CAPITAL PROJECTS FUND - LIBRARY

Revenues	223,330
Expenditures	477,615
Appropriation to Reserve	(298,615)
Transfer from Second Cent Sales Tax	547,900
Transfer From Library SR Fund	5,000
CP LIBRARY FUND BALANCE	<u>0</u>

CAPITAL PROJECTS FUND - WEST MAIN MILL & OVERLAY

Revenues	24,000
Expenditures	24,000
CP STANFORD STREET FUND BALANCE	<u>0</u>

**INTERNAL SERVICE FUNDS (Information Only)**

	Unemployment Fund	Copier - Fax- Postage Fund	Custodial Fund	Equipment Replacement Fund
<u>Revenues</u>				
Internal Dept Charges		18,350	83,020	407,947
Interest on Investments	80			2,000
Contributed Capital				119,837
Other Revenues				14,252
Total Revenues	<u>80</u>	<u>18,350</u>	<u>83,020</u>	<u>544,036</u>
<u>Expenditures</u>				
Personnel			76,989	
Operating Expenses	80	18,200	2,937	
Capital				1,056,800
Total Expenditures	<u>80</u>	<u>18,200</u>	<u>79,926</u>	<u>1,056,800</u>
Transfer (Out) In				100,000
(To) From Reserve		(150)	(3,094)	412,764
Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

**UTILITY AND ENTERPRISE FUNDS (Information Only)**

	Electric <u>Fund</u>	Water <u>Fund</u>	Wastewater <u>Fund</u>	Joint Powers <u>Fund</u>	Liquor <u>Fund</u>	Golf Course <u>Fund</u>	Curbside Recycling <u>Fund</u>
<u>Revenues</u>							
Sales	5,540,600	1,350,000	1,430,000	1,201,450	1,224,000	688,040	113,000
Surcharge	775,300	263,000	323,000				
Other Revenue	77,000	50,500	28,200	1,397,555		71,690	300
Interest	177,200	7,665	7,135	8,000	1,500	3,000	
Bond Proceeds		1,108,500		830,025			
Grants		79,200		236,800			
Tax Increment						498,280	
Total Revenues	<u>6,570,100</u>	<u>2,858,865</u>	<u>1,788,335</u>	<u>3,673,830</u>	<u>1,225,500</u>	<u>1,261,010</u>	<u>113,300</u>
<u>Expenditures</u>							
Personnel	945,832	556,830	465,319	494,740		353,930	71,472
Operating Expenses	3,645,693	586,612	641,831	836,855	1,051,352	399,390	14,600
Capital	560,350	905,100	357,300	3,276,825	2,000	27,610	23,000
Debt Service		127,089	222,645	157,699		663,688	8,408
Surcharge Debt Serv	<u>573,850</u>	<u>235,668</u>	<u>291,013</u>				
Total Expenditures	<u>5,725,725</u>	<u>2,411,299</u>	<u>1,978,108</u>	<u>4,766,119</u>	<u>1,053,352</u>	<u>1,444,618</u>	<u>117,480</u>
Transfers Out	(984,950)	(54,583)	(28,679)		(194,200)		
Transfers In	9,000					200,000	
Advance from TIF	108,537						
(To) From Reserve	<u>23,038</u>	<u>(392,983)</u>	<u>218,452</u>	<u>1,092,289</u>	<u>22,052</u>	<u>(16,392)</u>	<u>4,180</u>
Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Dated at Vermillion, South Dakota this 16th day of September, 2013.

THE GOVERNING BODY OF THE CITY OF  
VERMILLION, SOUTH DAKOTA

by \_\_\_\_\_  
John E. (Jack) Powell, Mayor

ATTEST:

BY \_\_\_\_\_  
Michael D. Carlson, Finance Officer

First Reading: September 3, 2013  
Second Reading: September 16, 2013  
Publish: September 27, 2013  
Effective: October 17, 2013

## *Council Agenda Memo*

**From:** Mike Carlson, Finance Officer  
**Meeting:** September 16, 2013  
**Subject:** Resolution for Capital Outlay Accumulation for Prentis Park Swimming Pool  
**Presenter:** Mike Carlson

**Background:** With the Prentis Park swimming pool nearing the end of its useful life, a citizens committee was created in 2011 to review the location and different features for a new pool. The committee recommended, and the City Council approved, hiring Water's Edge Aquatic Design of Lenexa, Kansas to work with the committee in developing the conceptual swimming pool plan. The estimated cost of the conceptual design was estimated at over \$6 million by the pool consultant. The City Council discussed the pool project during the recent August budget sessions and at two subsequent Noon informational meetings. The City is currently working with TSP to develop a master plan for Prentis Park as part of the replacement process.

**Discussion:** While the financing package for the pool project has not been determined, discussion has included using several sources of financing such as reserve funds, private donations and bond proceeds. As to designating reserve funds, the following two statutes provide for the accumulation of funds for a specific capital outlay purpose:

9-21-14.1. Capital outlay accumulations authorized for municipalities--Purposes included--Maximum accumulations. The governing body of a municipality may by resolution authorize the accumulation of funds for a period longer than one year for specific capital outlay purposes otherwise authorized by law. For the purpose of this section, "capital outlay purposes" means purposes which result in the acquisition of or additions to plant, or equipment, including but not limited to expenditures for land, existing facilities, improvement of grounds, construction of facilities, additions to facilities, remodeling of facilities, or for the purchase of equipment.

The maximum capital outlay accumulations shall be as follows:

- (1) In first-class municipalities, the amount of the accumulation for all purposes may never exceed an amount equivalent to four dollars per thousand dollars of assessed value of all property within the municipality;
- (2) In second-class municipalities, the amount of the accumulation for all purposes may never exceed an amount equivalent to ten dollars per thousand dollars of assessed value of all property within the municipality or one hundred twenty-five thousand dollars, whichever is greater;

(3) In third-class municipalities, the amount of the accumulation may never exceed one hundred twenty-five thousand dollars.

9-21-14.2. Vote required for capital outlay accumulation--Time of expenditure--Reversion of unused funds. The resolution authorized by § 9-21-14.1 shall be enacted by a two-thirds vote of the governing body and shall set forth clearly the purposes for which the funds are to be accumulated and the maximum amount that may be accumulated. The funds to be accumulated shall be expended within sixty months from the date of the resolution. If the specific purposes for which the funds are accumulated are deemed no longer necessary, these funds shall revert to the general fund.

The 2012 taxable value is \$316,739,127 thus at \$4 per \$1,000 the maximum accumulation is \$1,266,957.

A resolution has been prepared to provide for the accumulation of \$500,000 of general fund reserves for the pool project. The resolution requires a two-thirds vote of the governing body.

**Financial Consideration:** The resolution provides for the accumulation of funds but an appropriations ordinance will be required for the expenditure of the funds. If the funds are not expended within sixty months the funds will revert to the general fund.

**Conclusion/Recommendations:** Administration recommends approval of the resolution to provide for the accumulation of \$500,000 of general fund reserve for the pool project.

**RESOLUTION FOR CAPITAL OUTLAY ACCUMULATION FOR  
PRENTIS PARK SWIMMING POOL PROJECT**

**WHEREAS**, the Prentis Park swimming pool has served the summer recreational swimming needs for citizens and guests of the community for almost fifty years and is reaching the end of its useful life; and

**WHEREAS**, in planning for the replacement of the Prentis Park swimming pool a Pool Committee was established that through public input and a community survey developed a conceptual plan for a new pool facility; and

**WHEREAS**, the conceptual plan developed by the Pool Committee was projected, by the Consultant, to cost over \$6 million in 2012; and

**WHEREAS**, to determine the optimal configuration of the recreation facilities in Prentis Park, TSP was contracted, to develop a master plan for the park; and

**WHEREAS**, the final financing package has not been determined but is anticipated to include a combination City reserve funds, private donations and bond proceeds; and

**WHEREAS**, SDCL 9-21-14.1 authorized the Governing Body of a municipality to, by resolution, accumulate funds for a period longer than one year for specific capital outlay purposes.

**NOW THEREFORE BE IT RESOLVED**, by the Vermillion City Council that \$500,000 of general fund reserve be committed to the Prentis Park swimming pool project.

Dated at Vermillion, South Dakota this 16<sup>th</sup> day of September, 2013

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:** September 16, 2013

**Subject:** Resolution Defining the Boundaries of a Business Improvement District

**Presenter:** John Prescott

**Background:** State law 9-55-4 allows municipalities to create business improvement districts (BID). Per State law 9-55-2 a BID can be funded by special assessments and/or an occupation tax. Special assessments are generally used for brick and mortar type projects. An occupation tax can be imposed against users of space within a district or upon rooms rented by a lodging establishment to transient guests. State law allows up to \$2.00 per room, per night lodging fee through the creation of a business improvement district.

**Discussion:** The cities of Aberdeen, Brookings, Custer, Hot Springs, Mitchell, Rapid City, Sioux Falls, Spearfish, Watertown and Yankton are some of the South Dakota communities with a business improvement district imposing a \$2.00 lodging fee. The lodging fee is imposed unless the room is provided on a complimentary basis and no fee or rent was charged. There are several steps in the process of establishing a district, the uses of any revenue that is collected, establishing the uses of the revenue, and in implementing the authorization to collect revenue. The steps include:

1. City Council adopts resolution designating boundaries of business improvement district. SDCL 9-55-4 & 9-55-5.
2. City Council adopts resolution establishing a business improvement board of directors. SDCL 9-55-5 & 9-55-6.
3. Mayor with approval of City Council appoints business improvement district board of directors. SDCL 9-55-5
4. Board of Directors recommends plan for improvements in the district to City Council. SDCL 9-55-5.
5. City Council adopts resolution of intent to create business improvement district, SDCL 9-55-7
6. Notice of Hearing is mailed 30 days prior to the hearing to each owner of taxable property for the proposed district as well as to the occupant of the property along with a copy of the resolution of intent to create the business improvement district. SDCL 9-55-8

7. Public Hearing and adoption of ordinance establishing the business improvement district SDCL 9-55-10-9-5512.
8. Publish Notice of Adoption of Ordinance.
9. Effective Date of Ordinance.

The VCDC has made several attempts to communicate the possibility of a lodging fee to representatives of community lodging facilities. Representatives were invited to meetings, received personal visits or phone calls, and were mailed or delivered a letter notifying them of the discussion and the Council meeting. While the lodging establishments aren't charged a fee, they are responsible for the collection and remittance of the fee. The participation of the lodging establishments in the origination of any fee is an important part of the process.

The Visit Vermillion (VCDC tourism committee) and the Vermillion Chamber of Commerce and Development Board have both expressed support for implementing the fee. The exact use of the fee would come from recommendations developed by a committee appointed with the next agenda item. The City Council would ultimately make the decision with respect to the expenditure of the funds.

**Financial Consideration:** None for this step other than publication of the resolution.

**Conclusion/Recommendations:** Administration recommends adoption of the resolution defining the boundaries of business improvement district.

**RESOLUTION DESIGNATING BOUNDARIES FOR BUSINESS IMPROVEMENT  
DISTRICT #1**

**WHEREAS**, SDCL Ch. 9-55 authorizes the City of Vermillion to create a business improvement district for the purposes of raising revenue through an occupation tax on business with the revenue to fund the enhancement, expansion, marketing and promotion of visitor facilities, events, attractions and activities benefiting the city and its hotels and motels located within the district; and

**WHEREAS**, SDCL 9-55-4 requires that the business improvement district must be within the boundaries of the municipality, which may include noncontiguous property within the municipality; and

**WHEREAS**, SDCL 9-55-4 requires that prior to the creation of a business improvement district the Vermillion City Council shall designate by resolution the boundaries of the area to be improved and within which a business improvement district would be located; and

**WHEREAS**, the City Council of the City of Vermillion, South Dakota considers it appropriate that a plan be developed for the improvement of public facilities and activities in certain areas of the municipality; and

**WHEREAS**, the boundaries of a proposed Business Improvement District must be established before a district can be created; and

**WHEREAS**, the method of raising revenue shall be fair and equitable.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Vermillion, South Dakota that the boundaries of a proposed Business Improvement District #1 are hereby established as non-contiguous properties to include all hotels/motels situated within the corporate limits of the City of Vermillion.

Dated at Vermillion, South Dakota, this 16<sup>th</sup> day of September, 2013.

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:** September 16, 2013  
**Subject:** Resolution appointing BID Board  
**Presenter:** John Prescott

**Background:** The previous agenda item proposes to create the boundaries of a business improvement district (BID). If the resolution to establish the boundaries is adopted, the establishment of a Board for the BID is the next step in the process. State law 9-55-6 provides for the composition of a Board. The state statute is:

9-55-5 Composition of board—Vacancies—Terms—Officers. The board shall consist of no less than five members to serve such terms as the governing body, by resolution, determines. The mayor with the approval of the governing body, shall fill any vacancy for the remainder of the term vacated. A member of such board may serve more than one term. The board shall select from its members a chairperson and a secretary.

**Discussion:** The state does not prescribe the length of the Board term or any criteria for the membership. With the type of revenue stream proposed to fund the BID, it would be helpful to have individuals involved with the visitor and hospitality industry on the Board. The attached resolution follows a format that other communities have utilized. With the exception of the initial appointees, the resolution proposes using three year board terms. The BID Board will serve as an advisory body to the City Council. The Board is asked to make recommendations to the City Council for the establishment of a plan or plans for improvements.

If the boundaries of a BID are designated and the Mayor is authorized to appoint a Board with the approval of the governing body, staff will work to develop by-laws for the City Council to consider at the next meeting. The Mayor and Council can appoint the members of the Board after these steps are completed.

**Financial Consideration:** None for this step other than publication of the resolution.

**Conclusion/Recommendations:** Administration recommends adoption of the resolution authorizing the Mayor to appoint members to the business improvement district with the approval of the City Council.

**RESOLUTION ESTABLISHING BUSINESS IMPROVEMENT DISTRICT #1 BOARD**

**WHEREAS**, the City Council of the City of Vermillion, South Dakota considers it appropriate that a plan be developed for the improvement of public facilities and activities in certain areas of the municipality; and

**WHEREAS**, one method of providing for the plan is the creation of a Business Improvement District; and

**WHEREAS**, a Business Improvement District Board shall make recommendations to the City Council for the establishment of a plan or plans for improvements within the District; and

**WHEREAS**, the method of raising revenue shall be fair and equitable.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Vermillion, South Dakota that: 1) there is hereby created a Business Improvement District No. 1 Board which shall have the powers established in SDCL 9-55-5 and 9-55-6. The Board shall be appointed by the Mayor with the approval of the City Council, and 2) the Board shall consist of five (5) members. The term of office shall be three years, except at time of establishment, in which, two members shall serve for a one year term, two members for a two year term, and one member for a three year term.

Dated in Vermillion, South Dakota this 16<sup>th</sup> day of September 2013.

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:** John Prescott, City Manager  
**Meeting:** September 16, 2013  
**Subject:** Request by the VCDC to retain Riverbend lot sale proceeds  
**Presenter:** Steve Howe, VCDC Executive Director

**Background:** In October 2011 the City Council approved a Memorandum of Understanding (MOU) which transferred the City owned Lotuswood Addition property to the Vermillion Chamber of Commerce and Development Company (VCDC) for marketing and development. The VCDC has been marketing the property as the Riverbend Business Park. The MOU transferring the property to the VCDC included language that all land proceeds minus reasonable sale expenses such as title searches, filing fees, etc. would be remitted to the City.

**Discussion:** Earlier this year, three lots on the southwest corner of Princeton Street and Bower Street were combined into one lot. The VCDC still owns the lot and is constructing a building which will be leased to Eagle Creek Software Solutions. Construction of the 30,000 square foot building is being financed by the VCDC through a combination of private financing and a GOED REDI loan. TIF 5 funds will be utilized to help pay the cost of the debt service in the future. To date, no City funding has been utilized or has been requested to help fund this development.

At the same time the Eagle Creek project is taking place, the VCDC is also tackling the number one community identified need of additional housing. The VCDC is funding the purchase of the property and infrastructure construction of the Bliss Pointe development, which will provide over 100 residential lots in the City. TIF funds and lot sale proceeds in Bliss Pointe will be utilized to help retire the infrastructure and land acquisition debt costs. To date, no City funds have been used to fund the Bliss Pointe development. With both projects, city staff has provided a lot of in-kind professional advice.

The VCDC recently sold Lot 7, Block 6 of Riverbend Business Park. The property sold for \$31,140. After closing costs, platting and legal fees of \$2,091.51, there is \$29,047.49 of sale proceeds to be returned to the City per the MOU. As noted, over the course of this year, the VCDC has incurred some significant financial obligations to enhance the community on several fronts.

The VCDC has submitted the attached request to keep the \$29,047.49 of Lot 7 sale proceeds. The funding would be deposited in an account for building and infrastructure improvements related to the Eagle Creek project. Most City construction projects have a contingency fund of approximately 10% for unforeseen expenses. The approximately \$29,000 would help provide a contingency fund or ultimately reduce the amount that has to be borrowed.

**Financial Consideration:** The City had not budgeted to receive this \$29,000 in General Fund revenue in 2013. Not collecting the funding will not impact budget projections.

**Conclusion/Recommendations:** Administration recommends granting the request of the VCDC to retain the sale proceeds from Lot 7 to be reinvested in the Riverbend Business Park.



September 6, 2013

John Prescott  
City Manager  
City of Vermillion  
25 Center St  
Vermillion, SD 57069

Dear John,

As stated in the October 2011 Memorandum of Understanding between the City of Vermillion and the Vermillion Chamber and Development Company (VCDC), which set the terms for the transfer of Riverbend Business Park from the City to the VCDC, upon sale of lots the VCDC will remit the proceeds of the sale, less any reasonable costs, to the City.

On August 20, 2013, the VCDC sold Lot 7 of Block 6 in the Riverbend Business Park for the purchase price of \$31,140. Costs incurred for the sale of this lot include closing, platting and legal fees in the amount \$2,091.51. Supporting documentation is included. The remaining balance due the City is \$29,047.49.

The VCDC respectfully asks the City Council to waive the payment of \$29,047.49 and allow the funds to be reinvested into further development of the Riverbend Business Park. Should the City Council agree to this request, the funds would be deposited in an existing account dedicated to building and infrastructure improvement, and would be specifically allocated toward the Eagle Creek building project expenses.

We hope the City will rule upon this request favorably, and we will be happy to provide any additional information you may need.

Sincerely,

Steve Howe  
Executive Director

**CLAY COUNTY ABSTRACT & TITLE COMPANY**  
 121 Kidder St, Suite 104 PO BOX 255  
 Vermillion, South Dakota 57069  
 605-624-2068 605-624-9640 (Fax)  
contact@claycountytitle.com

August 20, 2013

Vermillion SD

**CLOSING STATEMENT**

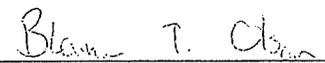
Buyer (B. Olson)	Charge	Credit
Sale Price	31140.00	
½ Closing Fee	212.00	
½ OP + MP Title Ins	581.69	
Recording Fee-WD+Mtg	60.00	
Pro rata 2013 RE Tax		270.99
Balance due from Buyer		31722.70
	31993.69	31993.69

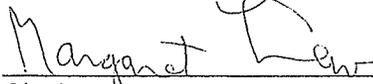
Seller (VACCD)	Charge	Credit
Sale Price		31140.00
Transfer Fee	31.50	
½ Closing Fee	212.00	
½ OP Title Ins	126.50	
Deed Preparation	53.00	
Pro rata 2013 RE Tax	270.99	
Balance due Seller	30446.01	
	31140.00	31140.00

1205 Carr St, Vermillion SD 57069

VERMILLION AREA CHAMBER OF COMMERCE  
 AND DEVELOPMENT COMPANY, Seller

By:   
 Gerald E. Tracy, President

  
 Buyer

  
 Closing Agent

**CLAY COUNTY ABSTRACT & TITLE CO.  
TRUST ACCOUNT**

PH. 605-624-2068  
121 KIDDER ST, STE 104  
VERMILLION, SD 57069

17450

78-48/914  
02

DATE 8-20-13

PAY TO THE ORDER OF Vermillion Chamber of Commerce + Development Company \$ 30446.<sup>01</sup>/<sub>100</sub>

CLAY COUNTY TRUST ACCOUNT

DOLLARS  Security Features Details on Back.

 **FIRST DAKOTA**  
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FOR 1205 Carr St

*[Signature]*

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Reimbursement from  
City*

Vermillion Area Chamber & Development  
Company  
116 Market Street, Suite 103  
Vermillion, SD 57069

June 30, 2013  
Project No: 21374.00  
Invoice No: 22575

Project 21374.00 Vermillion Area Chamber & Dev General Engineering  
Professional services for development in Vermillion, SD.

Professional Services through June 22, 2013

Phase 01 Brooks Industrial Tract Development

Review contractor bid

Professional Personnel

	Hours	Rate	Amount	
Project Engineer / Designer				
Uckert, Richard	.50	81.00	40.50	
Totals	.50		40.50	
<b>Total Labor</b>				<b>40.50</b>
				<b>Total this Phase \$40.50</b>

Phase 03 Erickson Addition Block 6 Replat  
Plat of Lot 7 Block 6.

Professional Personnel

	Hours	Rate	Amount	
Project Manager				
Holoch, Harold	.50	115.00	57.50	
CADD Technician				
Ulvestad, Jesse	7.00	60.00	420.00	
Land Surveyor				
Nielson, Nathan	5.00	86.00	430.00	
Totals	12.50		907.50	
<b>Total Labor</b>				<b>907.50</b>

Unit Billing

Photocopies	12.0 Copies @ 0.05	.60	
<b>Total Units</b>		.60	.60

Total this Phase

*690 Tax*

\$908.10

*54.49*

948.60

*962.59*

Taxes

Vermillion Sales Tax	2.00 % of 948.60	18.97	
South Dakota Sales Tax	4.00 % of 948.60	37.94	
<b>Total Taxes</b>		56.91	56.91

**Total this Invoice \$1,005.51**

Terms: All invoices not paid by end of month following the invoice date will be charged interest at the rate of 1.5% per month (APR 18%). www.bannerassociates.com (605) 692-6342 Fax: (605) 692-5714 carolk@bannerassociates.com

*1/4/13*

*\$ 962.59*

CRAIG K. THOMPSON LAW OFFICE

109 Kidder Street, P.O. Box 295, Vermillion, South Dakota 57069-0295

Phone: (605) 624-2097 • Fax: (605) 624-2221 • Email: craig@cktlaw.net

Craig K. Thompson

Attorney at Law

STATEMENT FOR SERVICES RENDERED

21-Aug-13

Vermillion Area Chamber of Commerce  
and Development Company  
116 Market Street, Suite 103  
Vermillion, SD 57069

5A  
246

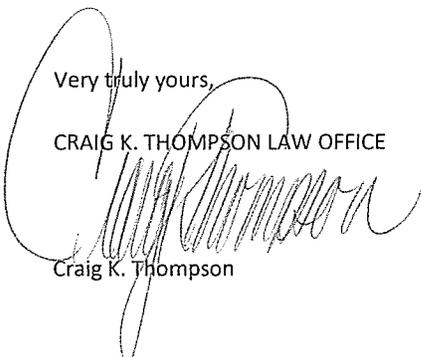
Re: VCDC/Olson Purchase Agreement

DATE	DESCRIPTION	TIME
05/28/13	Review email from Steve; review attachments re: Covenants	No Charge
06/02/13	Email to Steve re: Covenants	No Charge
06/02/13	Email to Steve re: Olson Real Estate Purchase Agreement	0.30
06/03/13	Review email from Steve re: Covenants	No Charge
06/03/13	Review email from Steve re: Olson Real Estate Purchase Agreement	0.20
06/03/13	Telephone conference with Steve re: Olson Real Estate Purchase Agreement	0.20
06/03/13	Draft Olson Real Estate Purchase Agreement; including revisions	1.00
08/09/13	Review email from Steve re: Olson Real Estate Purchase Agreement	0.20
08/15/13	Email to Steve re: Olson Real Estate Purchase Agreement	0.20
08/16/13	Telephone conference with Margaret Crew re: Olson Real Estate Purchase Agreement	0.25
TOTAL TIME:		2.35
SERVICES @ \$175.00 PER HOUR:		\$ 411.25
TAX @ 6%:		\$ 24.68
SUBTOTAL:		\$ 435.93
EXPENSES:		
Photocopies	(0 copies x \$.30 = \$0.00 x 6% = \$.00)	\$ -
Postage		\$ -
TOTAL EXPENSES:		\$ -
CURRENT TOTAL:		\$ 435.93
TOTAL AMOUNT DUE:		\$ 435.93

Very truly yours,

CRAIG K. THOMPSON LAW OFFICE

Craig K. Thompson



## *Council Agenda Memo*

**From:** John Prescott, City Manager

**Meeting:** September 16, 2013

**Subject:** Request for Temporary Street Closing – Child Advocacy Day

**Presenter:** John Prescott, City Manager

**Background:** The Fraternal Order of Eagles is sponsoring a Child Advocacy Day on Saturday October 12, 2013. They are requesting a portion of W. Main Street, from Market Street to Austin Street, be closed for the event. The event will include health, safety, and wellness education booths, as well as tours of emergency vehicles and other activities. A map of the proposed closing is attached.

**Discussion:** The Fraternal Order of Eagles is requesting that W. Main Street, from Market Street to Austin Street, be closed on October 12th, from 8:00 a.m. to 2:00 p.m. This event has been held for the last several years and Administration is not aware of any problems related to the street closure.

The Police, Fire, and EMS Departments have been notified of the closure request and have found no safety concerns.

**Financial Consideration:** None.

**Conclusion/Recommendations:** Administration recommends that the City Council approve the temporary closing of a portion of W. Main Street from Market Street to Austin Street on Saturday, October 12th 2013 from 8:00 am to 2:00 pm for the Fraternal Order of Eagles Child Advocacy Day.

Request to Close Public Street

Requests to close a public street for an event or activity are taken to the City Council for approval. The following application is requested to be submitted to the City Managers office for a street closing one week prior to the Council Meeting.

**REQUEST TO CLOSE CITY STREET  
CITY OF VERMILLION**

This application shall be completed in time to be submitted to the City Council for consideration. City Council meetings are the first and third Mondays of each month. Requests are to be submitted to the City Managers office one week prior to the meeting to be included on the meeting agenda. The proposal shall contain all applicable information relative to the nature and purpose of the event the street closing is requested for, if additional space is needed please attach additional sheets or application letter with the required information.

Organization Requesting FOE 2421  
Contact Person Tom Dooley Phone 605-677-9901  
Contact Person Address 406 FRANKLIN ST VERMILLION  
Event CHILD HEALTH & SAFETY CONN Date(s) of Event OCT 12 2013

Street(s) Requesting to be closed (Include a map if needed.)

Street MAIN ST from AUSTIN ST to MARKET ST

Street Closing Times 8:00 AM to 2:00 PM

If the street closing requested would affect other residents or businesses have they been notified of the request. Yes  No

Have arrangements been made for clean up after the event and other facilities? Please describe:

\_\_\_\_\_  
\_\_\_\_\_

If approved the contact person will need to make arrangements with the Street Department for barricades to properly denote the street closing.

Signature of applicant Tom Dooley date 9/9/13

September 6, 2013

Dear Mayor Powell, City Council Representatives, and City Staff:

On behalf of the Eagles Club, we are requesting your support of a street closing on Saturday, October 12, 2013. We are holding a Child Health & Safety Carnival on that day from 8:00 p.m. to 2:00 p.m. The event, involving the Vermillion Police Department, Clay County Sheriff's Department, Vermillion Fire & EMS, and other area sponsors, will include health, safety, and wellness educational booths inside the Eagles as well as activities including tours of emergency vehicles outdoors on the street in front of the Eagles. This event is an opportunity for the Eagles and other sponsors to promote health, safety, and wellness, and to qualify for a national grant, proceeds will benefit the DARE program and other community programs.

We are requesting that Main Street, from Austin Street to Market Street, be closed to vehicle traffic beginning at 7:30 a.m. on Saturday, October 12th, and reopened just after the event which concludes at 2:00 p.m. We have visited with businesses that would be open during that time period and all are supportive of our efforts and of the street closing.

We believe that this event will be a great opportunity for children and parents to learn about health, wellness, and safety, as well as a great opportunity for our emergency services and other area sponsors involved in health and education to showcase themselves and interact with the public.

Thank you for your consideration of our request for the street closing to support this event.

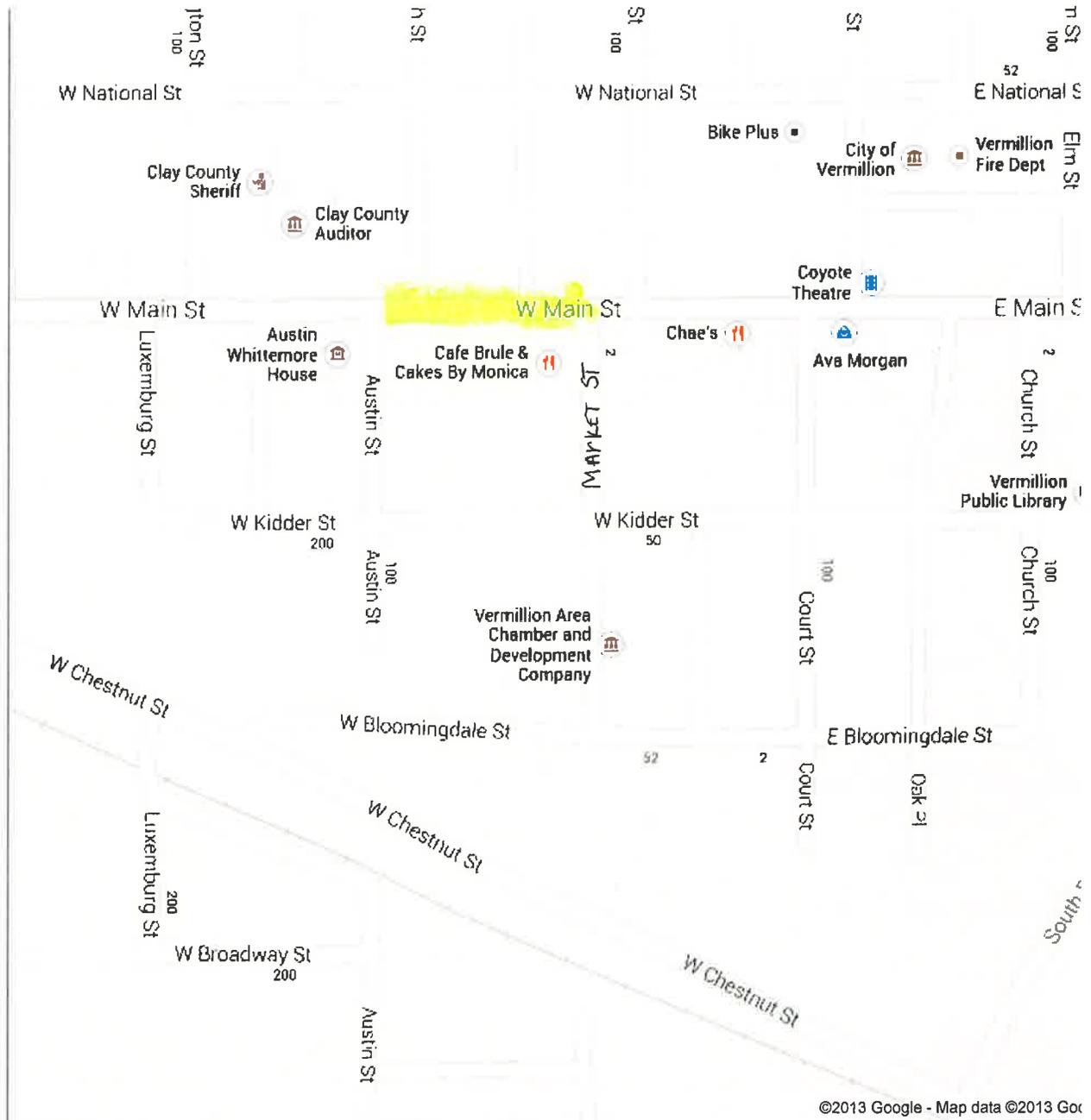
Respectfully,

A handwritten signature in black ink that reads "Tom Dooley". The signature is written in a cursive style with a prominent initial "T".

Tom Dooley on behalf of the Eagles Club



Address



©2013 Google - Map data ©2013 Google

We could not understand the location **loc**:

Suggestions:

- Make sure all street and city names are spelled correctly.
- Make sure your address includes a city and state.
- Try entering a zip code.
- Know about this place and want everyone to find it? [Add it to Google Maps!](#)

## *Council Agenda Memo*

**From:** Mike Carlson, Finance Officer

**Meeting:** September 16, 2013

**Subject:** Resolution approving the issuance of sale of Tax Incremental revenue bonds for TIF 6

**Presenter:** John Prescott

**Background:** The Vermillion Area Chamber and Development Company acquired the Bliss Property located west of Stanford Street between W. Main Street and W. Cherry Street earlier this year. Since acquiring the property it has been platted and the zoning has been changed to the Bliss Pointe Planned Development District that will provide single family dwellings, a mix of single-family detached dwellings and single-family attached dwellings by conditional use permit, multiple family housing and some light commercial, including primarily office and retail.

The Planning Commission recommended and the City Council, on July 15, 2013, approved the creation of Tax Incremental District Number 6 that consists of Blocks 1-6 in the Bliss Pointe Addition. The Tax Incremental Plan for TIF District Number 6 was recommended for approval by the Planning Commission and was approved by the City Council on August 19, 2013. The TIF Plan provides to develop the area for housing or any other use, infrastructure such as water, sanitary sewer, storm sewer, paving, street lights, natural gas and electrical need to be installed. To finance the improvements, the plan provides for the issuance of a Tax Incremental Revenue bond. The VCDC and City have been in discussion with several local entities which will be bond holders. The bonds will be issued by the City and the proceeds provided as grants to the VCDC to fund the improvements. Property taxes generated by the development within the TIF district will be collected by the County and transferred to the City. The City will disburse the tax increment funds to the bond holders as interest and principal payments until the bonds are retired and any other advances are repaid or 20 years whichever comes first.

**Discussion:** This bond is a little different in comparison to most other city issued bonds. The TIF plan proposes that the City Council annually consider, during the budget process, making advances to the TIF fund for an interest only payment to the bond holders until the TIF revenues are sufficient to make the payments. The City is not guaranteeing the bonds. Should the tax revenue not be generated or be insufficient to fully repay the bond holders, the City is not responsible for the difference.

For the City to issue a bond, the attached resolution is required to be adopted which becomes effective 20 days after publication. The attached resolution was prepared by Bond Council, Meierhenry Sargent, LLC, to provide for the issuance of up to \$1,732,000 of tax incremental bonds to be repaid from the tax increment collections from TIF 6.

Following the effective date of the bond resolution Meierhenry Sargent, LLC will prepare the bonds for the negotiated sale to the local entities.

The resolution has been reviewed by Jim McCulloch.

**Financial Consideration:** The resolution provides for the issuance of up to \$1,732,000 of tax incremental revenue bonds that will be repaid from the tax increment received from tax incremental district number 6 as outlined in the TIF Plan.

**Conclusion/Recommendations:** Administration recommends the approval of the resolution for the issuance of up to \$1,732,000 of tax incremental revenue bonds for TIF 6.

**RESOLUTION GIVING APPROVAL TO THE ISSUANCE AND SALE OF  
TAX INCREMENTAL REVENUE BONDS IN AN AMOUNT NOT TO  
EXCEED \$1,732,000, TO FINANCE PROJECT COSTS, AUTHORIZING  
THE EXECUTION OF RELATED DOCUMENTS AND DECLARING  
OFFICIAL INTENT TO REIMBURSE**

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

1. Declaration of Necessity. The City of Vermillion (the "City") finds and declares a necessity to issue tax increment revenue bonds in connection with Tax Increment District Number 6 and use the proceeds therewith to pay for project costs with regard to Bliss Pointe Planned Development District as defined in the project plan (the "Project") which Project has been approved and copies of project plan are on file with the Finance Officer open to public inspection.
2. Authority. The City is authorized to issue its tax increment revenue bonds to finance project costs pursuant to Section 11-9-33 of the South Dakota Codified Laws. Pursuant to Chapter 11-9 of the South Dakota Codified Laws (the "Act") the City proposes to issue municipal tax incremental revenue bonds (as herein authorized, the Tax Incremental Revenue Bonds, or the "Bonds") to finance all or a portion of the Project costs. The City is authorized by the Tax Incremental Act to pledge a special fund into which the City will deposit the tax increment (as defined by the Act).
3. Authorization to issue the Bonds. The City does hereby authorize the issuance of the tax increment revenue bonds in an amount not to exceed \$1,732,000, (the "Bonds") in one or more series upon such terms and in such amounts as are negotiated with the purchasers of the Bonds.
4. Negotiation and Sale of the Bonds. It is hereby determined to be necessary and in the best interests of the City and its inhabitants that the City Council authorize, issue and sell the Bonds (the "Bonds") to in order to finance a portion of the cost of the Project. The Mayor, City Manager and Finance Officer are authorized to negotiate the sale and terms of the Bonds subject to the limitations of the law and this resolution.
5. No Election Required. The Bonds may be issued by the City without an election pursuant to SDCL 11-9-34.
6. Terms of Bonds. The City Council hereby authorizes the issuance of the Bonds. The principal amount of the Bonds shall not exceed any statutory or constitutional debt limitation and be in such amounts as will be retired with the tax increment revenues. The Bonds shall have maturities and interest rates as negotiated by the Mayor, City Manager, and Finance Officer. The Bonds shall be prepared under the direction of the Finance Officer and shall be executed on behalf of the City by the facsimile or manual signatures of the Mayor, City Manager, and the Finance Officer and countersigned by the facsimile or manual signature of an attorney actually residing in the State of South Dakota and duly licensed to practice therein.
7. Form of Bonds. The Bonds shall be prepared in substantially the form filed with the Finance Officer and open to public inspection.

8. Registration. The City hereby appoints its Finance Officer as paying agent, registrar and transfer agent (the "Registrar") for the Bonds. The City reserves the right to appoint a financial institution as Registrar upon thirty (30) days' notice. The effect of registration and the rights and duties of the City and the Registrar with respect thereto shall be as follows:
- a. Register. The Registrar shall keep at its office a register (the "Register") in which the Registrar shall provide for the registration of ownership of the Bonds and the registration of transfers and exchanges of the Bonds entitled to be registered, transferred or exchanged.
  - b. Transfer of Bonds. When a Bond is surrendered for transfer it shall be duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer in form satisfactory to the Registrar; duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner thereof. If the Bond is properly surrendered as provided above, the Registrar shall authenticate and deliver, in the name of the designated transferee, a new Bond of a like aggregate principal amount and maturity. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until such interest payment date.
  - c. Exchange of Bonds. Whenever a Bond is surrendered by the registered owner for exchange the Registrar shall authenticate and deliver the new Bond of a like aggregate principal amount and maturity, as required by the registered owner or the owner's attorney in writing.
  - d. Cancellation. All Bonds surrendered upon any transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of as directed by the City.
  - e. Improper or Unauthorized Transfer. When any Bond is presented the Registrar may refuse to transfer the same until satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfer which, in their judgment, are deemed improper or unauthorized.
  - f. Persons Deemed Owners. The City, Paying Agent and Registrar may treat the person whose name on any Bond is at any time registered in the Register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of or on account of, the principal of and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

- g. Taxes, Fees and Charges. For every transfer or exchange of Bond, the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.
  - h. Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Registrar shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any such Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory that such Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to the Registrar, in which the City and the Registrar shall be named as obligees. All Bonds so surrendered to the Registrar shall be canceled by him and evidence of such cancellation shall be given to the City. If the mutilated, destroyed, stolen or lost certificate has already matured or has been called for redemption in accordance with its terms it shall not be necessary to issue a new Bond prior to payment.
9. Security Provisions; Funds and Accounts and Other Covenants and Determinations.
- a. Pledge Tax Increments. Pursuant to the Act, the City shall receive Tax increments as defined by the Act. All Tax Increments shall be placed in the Tax Incremental Revenue Bond Fund Number 6 (the "Bond Fund"). The Bond Fund is irrevocably pledged and appropriated to, and shall be deposited to the Bond Fund. For purposes of this Resolution, "Outstanding Bonds" shall mean these Bonds and any parity lien bonds herebefore or hereafter issued pursuant to this Resolution. The Bond Fund shall be used and applied only in the manner and order hereinafter set forth. The holders of the Outstanding Bonds shall have a lien against the Bond Fund for payment of the principal and interest and may either at law or in equity protect and enforce the lien.
  - b. Bond Fund. The Finance Officer is hereby authorized and directed to establish and shall maintain a special account, the Bond Fund, as a separate and special fund in the financial records of the City until all Bonds issued and made payable therefrom, and interest due thereon, have been duly paid or discharged. All collections of the Tax Increments, as hereinafter defined, shall be credited, as received, to the Bond Fund. Within the Bond Fund are various separate accounts to be maintained by the City.
    - i. Project Account. There is hereby created and established as an account of the Bond Fund, a "Project Account". There shall be credited to the Project Account the proceeds from the sale of the Bonds remaining after payment of the expenses of issuing the Bonds. All moneys credited to the Project Account shall be applied solely to the payment of the costs of the Project. For the purposes of this Resolution, "costs of the Project" shall include costs of acquiring, construction, and installing the Project including cost of

labor, services, materials and supplies, financial, architectural, engineering, legal, accounting and other professional expenses relating to the Project, the costs of acquisition or properties, rights, easements, or other interest in properties, insurance premiums, and the costs of publishing, posting or mailing notices in connection with the Project. All sums derived from the investment of moneys in the Project Account shall remain in and become part of such account. Upon completion of the Project and when all costs of the Project have been paid, any balance remaining in the Project Account shall be credited to the Principal and Interest Account hereinafter established.

- ii. Principal and Interest Account. There is hereby created and established as an account of the Bond Fund, a "Principal and Interest Account." Immediately upon delivery of the Bonds, there shall be credited to the Principal and Interest Account the amount of any accrued interest received from the Purchaser. Periodically, as needed there shall be withdrawn from the Bond Fund Number 6 and credited to the Principal and Interest Account an amount which will equal at least the next principal and interest payment. In all events there shall be credited to the Principal and Interest Account amounts sufficient to pay the principal of and interest on the Outstanding Bonds as the same become due.
  - c. Subordinate Lien Bonds. After making the above required payments, any remaining Tax Increment shall be used for the payment of the principal of and interest on any additional Tax Incremental revenue bonds having a lien which is subordinate to the lien of the Outstanding Bonds, and for a reserve fund as additional security for the payment of such subordinate lien bonds.
  - d. Deposit and Investment of Funds. The Finance Officer shall cause all moneys pertaining to the Fund to be deposited as received with one or more banks which are duly qualified public depositories under the provisions of Chapter 4-6A, South Dakota Codified Laws, 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 moneys shall at any time be withdrawn from such deposit accounts except for the purposes of the Fund as authorized in this Resolution; except that moneys from time to time on hand in the Fund may at any time, in the discretion of this Council, be invested in securities permitted by the provisions of Section 4-5-6, South Dakota Codified Laws, maturing and bearing interest at the times and in the amounts estimated to be required to provide cash when needed for the purposes of the respective accounts. Income received from the deposit or investment of moneys shall be credited to the 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 in that account.
10. Defeasance. When all the Bonds issued have been discharged as provided in this section, all pledges, covenants, and other rights granted by this resolution to the registered owners of the Bonds shall cease. The City may discharge its obligations with respect to any

Bonds which are due on any date by providing to the Paying Agent on or before that date a sum sufficient for the payment thereof in full; or, if any Bond should not be paid when due, it may nevertheless be discharged by providing to the Paying Agent a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The City may also discharge its liability with reference to all Bonds which are called for redemption on any date in accordance with their terms by depositing funds with the Paying Agent on or before that date in accordance with their terms by depositing funds with the Paying Agent on or before that date, in an amount equal to the principal, interest, and premium, if any, which are then due thereon, provided that notice of such redemption has been duly given. The City may also at any time discharge this issue of Bonds in its entirety, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank qualified by law as an escrow agent for this purpose, cash or United States government obligations which are authorized by law to be so deposited, bearing interest payable at such times and at such rates and maturing on such dates as shall be required to provide funds (without an reinvestment) sufficient to pay all principal, interest and premiums, if any, to become due on all Bonds on and before maturity, or, if a Bond has been duly called for redemption, on or before the designated redemption date.

11. Pledge of State of South Dakota. Pursuant to SDCL 11-9-39.1, the state of South Dakota does pledge to and agree with the holders of any obligations issued under 11-9 that the state will not alter the rights vested in the bond holders until such bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders, are fully met and discharged.
12. Certification of Proceedings. The officers of the City are authorized and directed to prepare and furnish to the purchasers of the Bonds certified copies of all proceedings and records of the City relating to the authorization and issuance of the Bonds and such other affidavits and certificates as may reasonably be required to show the facts relating to the legality and marketability of the Bonds as such facts appear from the officer's books and records or are otherwise known to them. All such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the City as to the correctness of the facts recited therein and the action stated therein to have been taken. The City does hereby declare its official intent to reimburse the capital expenditures made with respect to the Project with proceeds of the Bonds.
13. Retention of Bond Council. Meierhenry Sargent LLP is hereby retained as bond counsel for the Tax Increment Bonds and the Mayor, City Manager and Finance Officer are authorized to enter into an engagement letter with the firm.

14. Declaration of Official Intent. This Resolution is also intended to be the declaration of official intent under 26 CFR § 1.150-2. The reimbursement shall relate to the Project above mentioned. The maximum principal amount Bonds expected to be issued for reimbursement is not to exceed \$1,732,000.

THE GOVERNING BODY OF THE CITY  
OF VERMILLION, SOUTH DAKOTA

ATTEST:

By \_\_\_\_\_  
John E. (Jack) Powell, Mayor

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

Adopted: September 16, 2013  
Published: September 27, 2013  
Effective: October 17, 2013

The motion for adoption of the foregoing resolution was duly seconded by Councilman \_\_\_\_\_, and upon vote being taken thereof, the following voted YEA:

and the following voted NAY:

Whereupon said resolution was declared duly passed and adopted.

ATTEST:

\_\_\_\_\_  
John E. (Jack) Powell, Mayor

\_\_\_\_\_  
Michael D. Carlson, Finance Officer



## *Council Agenda Memo*

**From:** Jason Anderson, Assistant City Engineer  
**Meeting:** September 16, 2013  
**Subject:** Resolution Authorizing the Purchase of Two Skid Loaders  
**Presenter:** Jason Anderson

**Background:** At budget sessions in August, the City Council reviewed the 2014 equipment replacement schedule. As part of the 2014 schedule, a 2001 Bobcat 773G skid loader used by the Street Department is scheduled for replacement. Additionally, the Joint Powers Solid Waste Department has money budgeted in the 2013 budget for the replacement of its 2010 Bobcat S205 skid loader that is utilized indoors at the recycling facility. The Solid Waste Department was hoping to delay the purchase of the skid loader until 2014 but a replacement is needed sooner than planned.

**Discussion:** To replace these two skid loaders the City may purchase from the National Joint Purchasing Alliance (NJPA) contract with Bobcat Company. With Council authorization, the City may purchase two interim Tier 4 S590 Bobcat skid loaders for the NJPA contract base price of \$32,972.61. If we elect to wait until 2014, the new Tier 4 emissions standards take effect and push the base purchase price to \$37,576.39 (NJPA contract price). The Street Department will not take delivery until 2014 as the dealer will hold and deliver their bobcat until next year.

In the past, the City has frequently awarded skid loader bids to Bobcat dealers. In fact, all current skid loaders are Bobcat brand. The government pricing that Bobcat Company is able to offer is consistently competitive, and City staff feels that the NJPA contract price is very attractive for this size of machine.

**Financial Consideration:** The 2014 Equipment Replacement Fund includes the purchase of a skid loader and attachments for \$41,200. The Joint Powers Solid Waste Department has \$28,000 budgeted for this purchase in 2013. The Joint Powers Solid Waste budget will be revised later this year to reflect the actual purchase price. The revenue from the sale of the surplus equipment will be returned to the appropriate funds. While the base price has been established, the Departments are working out the exact attachments that are needed.

**Conclusion/Recommendations:** Administration recommends approving the Resolution to purchase two Bobcat S590 skid loaders at the NJPA contract base price of \$32,972.61.

Please note: The actual amount for each bobcat will be higher due to the attachments needed by the respective departments. This exact price information based on the attachments will be available on Monday. An updated resolution will also be provided.

**RESOLUTION  
AUTHORIZING THE PURCHASE OF  
SKID LOADER**

**WHEREAS**, SDCL 5-18A-37 authorizes a governmental entity to participate in cooperative purchasing agreements and conduct purchasing transactions under a joint agreement in this or any other state; and

**WHEREAS**, the City of Vermillion has reviewed and determined that the National Joint Purchasing Alliance (NJPA) contract base price of \$32,972.61 for a Bobcat S590 skid loader offers an advantageous price to the City for said item; and

**WHEREAS**, the City has contacted Bobcat Company Government Sales and they have agreed to allow the City to purchase two skid loaders for the awarded price and terms as they have contracted with the NJPA; and

**WHEREAS**, the City will take delivery and make payment for the Joint Powers Solid Waste Department skid loader in 2013; and

**WHEREAS**, the City will not take delivery or make payment for the Street Department skid loader until after January 1, 2014.

**NOW, THEREFORE BE IT RESOLVED**, by the Governing Body of the City of Vermillion, that the City Finance Officer is hereby authorized to purchase two new 2013 Bobcat S590 skid loaders at the NJPA contract base price of \$32,972.61.

Dated at Vermillion, South Dakota this 16<sup>th</sup> day of September, 2013.

THE GOVERNING BODY OF THE  
CITY OF VERMILLION, SOUTH DAKOTA

By \_\_\_\_\_  
John E. (Jack) Powell, Mayor

ATTEST:

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

CITY OF VERMILLION  
 INVOICES PAYABLE-SEPTEMBER 16, 2013

1 BUREAU OF ADMINISTRATION	TELEPHONE	248.66
2 CANON FINANCIAL SERVICES	COPIER LEASE	196.27
3 CENTURYLINK	TELEPHONE	1,487.97
4 CITY OF VERMILLION	LANDFILL VOUCHERS	600.00
5 CLAY RURAL WATER SYSTEM	WATER USAGE	93.80
6 CLAY-UNION ELECTRIC CORP	ELECTRICITY	482.43
7 DEPT. ENVIRONMENT NATL RESOURCES	LANDFILL OPERATIONS FEE	3,301.75
8 GREGG PETERS	MANAGERS FEE	5,375.00
9 LOREN FISCHER DISPOSAL	HAUL CARDBOARD	140.00
10 MATHESON TRI-GAS, INC	OXYGEN	237.96
11 MIDAMERICAN	GAS USAGE	1,462.33
12 MIDCONTINENT COMMUNICATION	CABLE/INTERNET SERVICE	118.55
13 MIDWESTERN MECHANICAL, INC	FIRE SPRINKLER INSPECTION	325.00
14 OFFICE SYSTEMS CO	COPIES	209.02
15 QUILL	SUPPLIES	357.90
16 RESERVE ACCOUNT	POSTAGE FOR METER	950.00
17 SD MUNICIPAL LEAGUE	REGISTRATION	400.00
18 SD PARKS & RECREATION ASSOC.	REGISTRATION	375.00
19 SPRINT	CELL PHONES	1,280.68
20 STERN OIL CO.	FUEL	15,023.23
21 THE EQUALIZER	ADVERTISING	122.00
22 US POSTMASTER	POSTAGE FOR UTILITY BILLS	1,050.00
23 VERMILLION ACE HARDWARE	SUPPLIES	225.89
24 WOW! BUSINESS	DIAL UP SERVICE	49.95
25 JOHN JORDE	BRIGHT ENERGY REBATE	250.00
26 BILL SETTLES	BRIGHT ENERGY REBATE	275.00
	GRAND TOTAL	\$34,638.39

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

Date: 9/4/2013

1. Name of organization/group St Agnes Parish / St. Agnes Youth Group  
Contact person: Name: Mary Hamm
2. Date(s) that tickets/chances will be sold: from Sept. 1, 2013 to October 20, 2013  
Cost of tickets/chances: \_\_\_\_\_
3. Date(s) of drawing(s): Sunday, October 20, 2013
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: Raffle - \$1000.00  
Car Raffle - Value unknown

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.

① St. Agnes Fall Festival. Sunday Oct. 20, 2013  
Fundraiser for Church, School - 50/50 Raffle

② Car Raffle for St. Agnes Youth Group  
tickets for car \$5.00  
tickets (General) \$1.00 each. misc. prizes.

All Proceeds from General Raffle go to School <sup>50%</sup> / church <sup>50%</sup>  
All Proceeds Car Raffle goes to Youth Group.

Mary K. Hamm  
Applicant's Signature

Approval:

John Pearson  
City Manager

9-5-13  
Date