

Harrisburg City Council
Meeting Minutes

The regular meeting of the City Council was called to order on June 19, 2019, at 6:00 pm, with Mayor Julie Burke-Van Luvanee presiding. Council members present were Ryan Berg, Kevin Maxwell, Ryan Olson & Danny Tank. Also present from the city were Mary McClung, Jill Johnke, Andrew Pietrus, Toby Huizenga, and Joe Stonesifer. A list of all others in attendance is on file at the city office. Motions: All motions were by majority vote and approved unanimously by those members present unless otherwise indicated.

Pledge of Allegiance was recited.

Consent Agenda: Olson will abstain from Business Item 12A. Motion Berg, seconded Maxwell, to approve the consent agenda consisting of the following items:

1. Approval of June 19, 2019 Agenda.
2. Approval of June 3, 2019 City Council Meeting Minutes
3. Approval of June 17, 2019 Special City Council Meeting Minutes
4. Approval of June 19, 2019 – Approval of Claims
5. Approval of Temporary Street Closure Request of Saint Gregory and Saint Jerome Streets for a Block Party to be held on August 17, 2019 from 6pm – 12am.
6. 2019 Annual Report Engagement Letter

Upon Roll call vote; all in favor.

AE2S – Professional Services/Fees (Engineering) \$8,233.33; Aflac – Aflac Withholdings \$392.00; Agora X Inc. – Supplies/Materials (Streets, Water, Sewer, Parks) \$1,756.57; Albers Electric LLC – Repairs/Maintenance (Parks) \$551.31; All Seasons Inc. – Professional Services/Fees (Code Enforcement) \$110.00; Ambush Apparel – Supplies/Materials (Economic Development Promo) \$1,073.95; American Auto Awards of Iowa – Supplies/Materials, Professional Services/Fees (Economic Development Promo) \$1,450.50; Beal Distributing, Inc. – Supplies/Materials (Economic Development Promo) \$1,228.15; Berger, Christina – Community Garden Plot Refund \$70.00; Bierschbach Equipment & Supply – Rentals (Economic Development Promo) \$270.00; Chris Cakes – Professional Services/Fees (Economic Development Promo) \$1,707.20; Concrete Materials – Repairs/Maintenance (Streets) \$10,231.72; Core & Main – Supplies/Materials (Water) \$2,043.78; Dakota Beverage – Supplies/Materials (Economic Development Promo) \$1,422.30; Dakota Playground – Machinery/Equipment, Supplies/Materials (Parks) \$16,570.00; Department of Treasury – Federal Tax Withholdings \$6,247.44; Department of Treasury – Federal Tax Withholdings \$7,067.50; SDNR – Professional Services/Fees (Water, Sewer) \$350.00; Federal Signal Corporation – Professional Services/Fees (Public Safety) \$446.19; Finstad, Don – Professional Services/Fees (Fin Admin) \$13,375.00; Geotek Engineering – Professional Services/Fees (Govt Bldgs) \$1,593.00; Girton Adams Company – Supplies/Materials (Economic Development Promo) \$585.00; Harrisburg Baseball Assoc. – Subsidies (Parks) \$15,000.00; Harrisburg Heritage – TIF #8 (Principal) \$16,266.57; Harrisburg Lions Club – Community Event (Economic Development Promo) \$129.80; Harrisburg Water – Utilities (Govt Bldgs) \$273.34; Hawkins Inc. – Supplies/Materials (Sewer) \$775.00; Heckenlaible, Glenda – Community Garden Refund \$35.00; Health Equity – HSA Withholdings, Professional Services/Fees (Group Insurance) \$265.00; Health Equity – HSA Withholdings \$265.00; Home Definition, Inc. – Professional Services/Fees (Govt Bldgs) \$25.00; IMS Infrastructure Mgmt Services – Professional Services/Fees (Streets) \$2,362.50; Johnson Properties – Supplies/Materials (Library) \$300.00; Lewis & Clark Regional Water – Improvements Other Than Bldgs

(Water) \$2,131,.80; Lincoln Co. Auditor – TIF #8 – Principal (Other Debt Service) \$2,500.00; Mac’s Carnival and Attractions – Professional Services/Fees (Economic Development Promo) \$2,900.00; Marco, Inc. – Rentals (Streets, Water, Sewer, Parks) \$146.18; Matheson Tri-Gas Inc. – Supplies/Materials (Streets, Water, Sewer, Parks) \$21.08; McMahon, Lois – Community Garden Plot Renewal \$35.00; Melchert, Melissa – Community Garden Plot Renewal \$35.00; MidAmerican Energy – Utilities (Sewer, Govt Bldgs) \$292.91; MLC Construction Inc. – Buildings (Parks) \$25,664.80; Novak Sanitary Service – Utilities (Govt Bldgs) \$56.75; Optilegra, Inc. – Insurance Withholdings, Group Insurance (Fin Admin, City Admin, Planner, Engineer, Street, Water, Sewer, Parks) \$101.08; Pfeifer Implement – Repairs/Maintenance (Parks) \$1,262.37; Prairie Wind Trailers, LLC – Repairs/Maintenance (Streets, Water, Sewer, Parks) \$22.00; Payment Service Network – Professional Services/Fees (Water, Sewer, Planner) \$1,421.98; Sioux Falls Humane Society – Professional Services/Fees (Animal Control) \$271.54; Sisson Printing Inc. – Supplies/Materials (Planner) \$492.00; Siteone Landscape Supply, LLC – Supplies/Materials (West Nile Prevention, Parks) \$350.94; SD One Call Systems Inc. – Professional Services (Water, Sewer) \$222.60; SD Supplemental Retirement Plan – SDRS Withholdings \$325.00; SE South Dakota Tourism Assoc – Professional Services (Economic Development Promo) \$375.00; SE Electric Cooperative, Inc. – Utilities (Sewer, Street Lighting, Water) \$4,885.36; Traffic Solutions Inc. – Rentals (Streets) \$310.00; United States Post Office – Rentals (Fin Admin) \$64.00; Vantek Communications Inc. – Repairs/Maintenance, Rentals (Water, Sewer) \$345.00; Verizon Wireless – Utilities (Water, Sewer) \$105.85; Wellmark Blue Cross Blue Shield – Group Insurance (Planner) \$158.20; Wellmark Blue Cross Blue Shield – Group Insurance (City Admin, Fin Admin, Streets, Water, Sewer, Parks) \$3,939.78; Zee Medical Services – Supplies/Materials (Govt Bldgs) \$115.10

No Public Comment

Business Item 1. Resolution 2019-11 – Wastewater Treatment Facility Bond (Harrisburg CW-07). Motion Berg, seconded Maxwell to approve and authorize the Mayor sign Resolution 2019-11 Wastewater Treatment Facility Bond Series 2019, Giving Approval to the Issuance By City of Harrisburg South Dakota of its Wastewater Surcharge Revenue Bond, Series 2019, in an amount not exceeding \$24,487,000 to Finance, Directly and Indirectly, Construction of Improvements to the City’s Wastewater System; approving the form of loan agreement and revenue bond; authorizing the sale of said revenue bond; pledging wastewater surcharge revenues for servicing debt issued hereunder; and the manner of execution and issuance of said bond. Upon roll call vote; all in favor.

RESOLUTION NO. 2019-11

RESOLUTION GIVING APPROVAL TO THE ISSUANCE BY CITY OF HARRISBURG, SOUTH DAKOTA OF ITS WASTEWATER SURCHARGE REVENUE BOND, SERIES 2019, IN AN AMOUNT NOT EXCEEDING \$24,487,000 TO FINANCE, DIRECTLY AND INDIRECTLY, CONSTRUCTION OF IMPROVEMENTS TO THE CITY’S WASTEWATER SYSTEM; APPROVING THE FORM OF LOAN AGREEMENT AND REVENUE BOND; AUTHORIZING THE SALE OF SAID REVENUE BOND; PLEDGING WASTEWATER SURCHARGE REVENUES FOR SERVICING DEBT ISSUED HEREUNDER; AND THE MANNER OF EXECUTION AND ISSUANCE OF SAID BOND.

WHEREAS, City of Harrisburg, South Dakota (the “City”) is authorized pursuant to SDCL Chapters 9-40 and 9-48 to construct, operate and improve wastewater systems, and pursuant to SDCL 9-40-6 and Chapter 6-8B (the “Acts”) is authorized to issue bonds to defray the cost of such extensions, additions, and improvements; and

WHEREAS, the City Council of the City has determined that it is necessary and in the best interests of the City to make certain improvements to the City's wastewater system (the "Wastewater System"), such improvements being more fully described as:

Wastewater Treatment Facility Construction Project as outlined in the Facilities Plan dated June 2018 (the "Project"),

and to finance \$24,487,000 of the costs thereof through the South Dakota Clean Water State Revolving Fund Loan Program administered by the South Dakota Conservancy District ("SDCD") pursuant to SDCL 46A-1-49; and

WHEREAS, the City has determined that it is necessary and appropriate to issue its Wastewater Surcharge Revenue Bond, Series 2019 in the amount of \$24,487,000, as more fully described herein (the "Bond") to the SDCD pursuant to the South Dakota Clean Water State Revolving Fund Loan Program to finance a portion of the costs of the Project; and

WHEREAS, pursuant to the Acts, including specifically SDCL 9-40-15, and Resolution No. 2019-09 (adopted May 6, 2019), the City has adopted a surcharge (the "Surcharge") in order to repay the principal of and interest on the Bond; and

WHEREAS, the City Council has determined that the issuance of the Bond would be in the best interests of the City,

NOW, THEREFORE, BE IT RESOLVED by the City Council of City of Harrisburg, South Dakota, as follows:

ARTICLE I: THE BOND

Section 1.01 Findings. It is hereby found, determined and declared that:

- (a) The City is a political subdivision of the State of South Dakota and a body corporate and politic.
- (b) The City finds and determines that (1) without making the improvements included in the Project, the Wastewater System would pose a health hazard to the residents of the City, and the lands adjacent thereto, and (2) the Project will benefit all users of the City's Wastewater System.
- (c) As authorized by this Resolution and the Act, the City has determined that it is necessary and desirable to issue the Bond in a principal amount not to exceed \$24,487,000. The proceeds of the Bond are to be used (i) to pay a portion of the costs of the Project and (ii) to pay the costs of issuance of the Bond.
- (d) The Bond will be issued, sold and delivered by the City pursuant to the terms of the Revenue Obligation Loan Agreement between the City and SDCD (the "Loan Agreement").

Section 1.02 Authorization and Execution of Bond; Terms. The City will issue one fully registered Bond in the principal amount not to exceed the sum of \$24,487,000 (as defined in the Loan Agreement, the "Committed Amount"). The Bond will be designated "Wastewater Surcharge Revenue Bond, Series 2019," will be numbered R-1 and will be dated as of the date of its issuance. The Bond will be payable in one

hundred twenty (120) quarterly installments over a thirty-year period which will commence and be due in the manner provided in the Loan Agreement.

The Bond will bear interest at the rate of 1.75% per annum pursuant to the Loan Agreement. In addition, as required by the Loan Agreement, the City will pay the holder of the Bond an administrative expense surcharge on the outstanding principal amount of the Bond at a rate of .75% per annum. The Bond is issued under the authority of Chapters 9-40 and 6-8B of the South Dakota Codified Laws, as amended.

The Bond will be signed by the manual signatures of the Mayor and Finance Officer, and sealed with the corporate seal of the City, or a facsimile thereof. The approval hereby given to the Bond includes an approval of such additional details therein as may be necessary and appropriate and approved by the City's legal counsel prior to the execution thereof. The execution of the Bond by the Mayor and Finance Officer will be conclusive evidence of the approval of the Bond in accordance with the terms hereof.

Section 1.03 Authorization of Financing Documents. The documents required to accomplish the issuance of the Bond include the following:

- (a) the Revenue Obligation Loan Agreement between the SDCD and the City, and pursuant thereto to pledge the Surcharge revenues to secure the payment of the City's obligations thereunder;
- (b) the Bond; and
- (c) such other documents, agreements or instruments as may be necessary to make covenants and recite facts required to demonstrate the validity and enforceability of Bond under the laws of the State of South Dakota and to assure the exclusion of the interest thereon from the gross income of the owners of the Bond under the Code and to effectuate the terms and intent of this Resolution.

The execution and delivery of such documents is hereby authorized, approved and confirmed, and the Mayor and Finance Officer are hereby authorized and directed to execute and deliver the Loan Agreement in the form and content presented to the City Council on this date (the terms of which are incorporated herein by this reference), with such changes as the City Attorney deems appropriate and approves, for and on behalf of the City. The Mayor and Finance Officer are hereby further authorized and directed to implement and perform the covenants and obligations of the City as set forth in or required by the Loan Agreement.

Section 1.04 Form of Bond. The Bond will be in substantially the form set forth on Appendix B to the Loan Agreement.

Section 1.05 Sale of Bond. The sale of the Bond to the SDCD for the purchase price of \$24,487,000 plus interest accrued to the date of delivery of the Bond, is ratified and confirmed; and the officers of the City are authorized and directed to do any and all acts necessary to conclude delivery of the Bond to said purchaser, upon receipt of the purchase price, as soon after the effective date of this Resolution as is convenient.

Section 1.06 Application of Bond Proceeds. Proceeds of the Bond will be deposited in the manner provided in the Loan Agreement.

Section 1.07 Inspection of Documents. All documents referred to herein will be available for public inspection in the office of the Finance Officer during regular business hours.

ARTICLE II: SECURITY FOR THE BOND

Section 2.01 Pledge of Wastewater Surcharge Revenues. Pursuant to SDCL 9-40-15, the City hereby irrevocably pledges to the SDCD all revenues received from the Surcharge (the “Pledged Revenues”) in order to secure the City's obligation to pay all amounts payable under the Loan Agreement and the Bond. The City will set aside and segregate in a separate account on a monthly basis such Pledged Revenues for payment of the principal and interest on the Bond.

Section 2.02 Deposit of Pledged Revenues. All moneys in the account provided for above will be deposited with such financial institution as designated from time to time by the City.

ARTICLE III: OTHER COVENANTS

Section 3.01 Compliance With Laws. The City hereby covenants and agrees with the holder or holders, from time to time of the Bond, that it will punctually perform all duties with reference to the Bond required by the Constitution and laws of the State of South Dakota and by this Resolution.

Section 3.02 Other Covenants. The City agrees and covenants that it will purchase the improvements included in the Project. The City will not sell, lease, mortgage or in any other manner dispose of the Project, or any substantial part thereof, until the Bond has been paid in full. The City covenants and agrees with the owners of the Bond that it will prepare, keep and file records, statements and accounts as provided for in this Resolution and the Loan Agreement.

Section 3.03 Additional Bonds. Additional bonds payable from the Pledged Revenues may be issued on a parity with the Bond, but only as permitted in the Loan Agreement and no provision of this Resolution will have the effect of restricting the issuance of, or impairing the first lien of, such additional parity bonds. The City will have the right to issue additional bonds secured by a lien subordinate to the lien for the Bond but only as permitted by the Loan Agreement.

ARTICLE IV: MISCELLANEOUS

Section 4.01 Limited Obligations. The Bond, together with the interest thereon, will not constitute a charge against the City's general credit or taxing power, but will be a limited obligation of the City payable solely out of the Pledged Revenues, which payments, revenues and receipts are hereby and in the Loan Agreement pledged and assigned for the equal and ratable payments of the Bond and will be used for no other purpose than to pay the principal of and interest on the such Bond, except as may be otherwise expressly authorized in the Loan Agreement. The Bond will not constitute indebtedness within the meaning of any constitutional or statutory debt limitation.

Section 4.02 Severability. If any section, paragraph, clause or provision of this Resolution or the Loan Agreement is held invalid, the invalidity of such section, paragraph, clause or provision will not affect any of the other provisions of this Resolution or the Loan Agreement. The Mayor, Finance Officer, the City Attorney and City officials will be and they are hereby authorized to execute and deliver for and on behalf of the City the Bond any and all other certificates, documents or other papers and to perform such other acts as they may deem necessary or appropriate in order to implement and carry out the matters herein authorized.

Section 4.03 Retention of Bond Counsel. The City hereby retains the firm of Davenport, Evans, Hurwitz & Smith, L.L.P., Sioux Falls, South Dakota, to act as bond counsel with respect to the Bond.

Section 4.04 Effective Date. This Resolution, after its final passage, will be recorded in a book kept for that purpose, will be authenticated by the signature of the Mayor and Finance Officer, will be

published in the City's officially designated newspaper, and will be effective on the 20th day following such publication. After becoming effective, this Resolution will be irrevocable until the Bond issued hereunder has been paid in full, except that prior to issuance of the Bond, this Resolution may be amended at any time by adoption of an administrative resolution or ordinance.

Dated this 19 day of June, 2019.

Julie Burke-Van Luvanee, Mayor

ATTEST:

Mary McClung Finance Officer

Business Item 2. Resolution 2019-12 Water System Surcharge Bond Resolution. Motion Berg, seconded Maxwell to approve and authorize the Mayor sign Resolution 2019-12 Water System Surcharge Bond Resolution giving approval for the Issuance and Sale of Water System surcharge bonds to finance Directly or Indirectly, the Improvements to the Water System; approving the form of the water system surcharge revenue bonds, designation of water system surcharge revenue bonds and pledging project revenues to secure the payment of the bonds; and creating special funds and accounts for the administration of funds for operation of the system and retirement of the bonds and providing for a segregated special charge or surcharge for the payment of the bonds. Upon roll call vote; all in favor

**EXTRACT OF MINUTES OF MEETING OF THE
CITY COUNCIL OF THE CITY OF HARRISBURG
LINCOLN COUNTY, SOUTH DAKOTA**

RESOLUTION NO. 2019 - 12

RESOLUTION OF THE CITY OF HARRISBURG, SOUTH DAKOTA, TO APPROVE FINANCING FOR WATER SYSTEM UPGRADES; GIVING APPROVAL TO THE ISSUANCE AND SALE OF WATER SYSTEM SURCHARGE REVENUE BONDS TO FINANCE, DIRECTLY OR INDIRECTLY, THE IMPROVEMENTS TO THE WATER SYSTEM; APPROVING THE FORM OF THE WATER SYSTEM SURCHARGE REVENUE BONDS, DESIGNATION OF WATER SYSTEM SURCHARGE REVENUE BONDS AND PLEDGING PROJECT REVENUES TO SECURE THE PAYMENT OF THE BONDS; AND CREATING SPECIAL FUNDS AND ACCOUNTS FOR THE ADMINISTRATION OF FUNDS FOR OPERATION OF THE SYSTEM AND RETIREMENT OF THE BONDS AND PROVIDING FOR A SEGREGATED SPECIAL CHARGE OR SURCHARGE FOR THE PAYMENT OF THE BONDS.

WHEREAS, one of the purposes of SDCL Chapter 9-40 (the "Act") as found and determined by the South Dakota Legislature is to provide for financing the acquisition, maintenance, operation, extension or improvement of any system or part of any system of waterworks for the purpose of providing water and water supply for municipal, industrial, and domestic purposes;

WHEREAS, a municipality is authorized by Section 6 of the Act to issue revenue bonds to defray the cost of extensions, additions and improvements to any system previously owned without pledging its credit and is authorized to pledge the net income or revenues from the improvements in accordance with Section 15 of the Act;

WHEREAS, the City of Harrisburg (the "City") currently operates a water and water supply system and has determined that extension and improvement of the waterworks system (the "System") is necessary for the conduct of its governmental programs; and

WHEREAS, the City has determined to issue its revenue bonds to finance the improvements to the System;

WHEREAS, the City shall adopt special rates or surcharges for the improvements to be pledged, segregated and used for the payment of the Bonds.

NOW THEREFORE BE IT RESOLVED by the City as follows:

SECTION 1. Definitions. The terms when used in this Resolution (“Resolution”) shall have the following meanings set forth in this section unless the context clearly requires otherwise. “**Act**” means South Dakota Codified Laws Chapter 9-40.

“**Code**” means the Internal Revenue Code of 1986, as amended, and the applicable regulations of the United States Department of Treasury promulgated thereunder as in effect on the date of issuance of the Bonds.

“**Dougherty**” means Dougherty & Company LLC, Pierre, South Dakota.

“**Issuance Costs**” means costs but only to the extent incurred in connection with, and allocable to, the borrowing: underwriters’ spread; counsel fees; financial advisory fees; fees paid to an organization to evaluate the credit quality of an issue; trustee fees; paying agent fees; bond registrar, certification, and authentication fees; accounting fees; printing costs for bonds and offering documents; public approval process costs; engineering and feasibility study costs; guarantee fees, other than for qualified guarantees and similar costs.

“**Mayor**” means the Mayor elected pursuant to the provisions of the SDCL 9-13 or his or her designee acting on his or her behalf pursuant to the Charter.

“**Outstanding,**” “**Bonds Outstanding,**” or “**Outstanding Bonds**” means, as of a particular date all Bonds issued and delivered under this Resolution except: (1) any Bond paid or redeemed or otherwise canceled by the City at or before such date; (2) any Bond for the payment of which cash, equal to the principal amount thereof with interest to date of maturity, shall have theretofore been deposited prior to maturity by the City for the benefit of the owner thereof; (3) any Bond for the redemption of which cash, equal to the redemption price thereof with interest to the redemption date, shall have theretofore been deposited with the registration agent and for which notice of redemption shall have been mailed in accordance with this Resolution; (4) any bond in lieu of or in substitution for which another bond shall have been delivered pursuant to this Resolution, unless proof satisfactory to the City is presented that any bond, for which a bond in lieu of or in substitution therefor shall have been delivered, is held by a bona fide underwriter, as that term is defined in Article 8 of the Uniform Commercial Code of South Dakota, as amended, in which case both the bond in lieu of or in substitution for which a new bond has been delivered and such new bond so delivered therefor shall be deemed Outstanding; and, (5) any bond deemed paid this Resolution, except that any such Bond shall be considered Outstanding until the maturity or redemption date thereof only for the purposes of being exchanged, transferred, or registered.

“**Person**” means an individual, partnership, corporation, trust, or unincorporated organization, or a governmental entity or agency or political subdivision thereof.

“**President**” means the President of the City Council who may act for the Mayor in the absence of the Mayor.

“**Project**” means the extension and improvement of the City’s waterworks system.

“**Record Date**” means the close of business on the first/fifteenth day (whether or not a business day) of the calendar month next preceding such interest payment date.

“**Revenue Bonds,**” or “**Bond(s)**” means the Water System Surcharge Revenue Bonds, Series 2019 issued by the City.

“**System**” means the City’s waterworks system.

SECTION 2. Declaration of Necessity and Findings.

2.1. Declaration of Necessity. The City hereby determines and declares it is necessary to construct and finance improvements to its System described as the Project. **Findings.** The City does hereby find as follows: The City hereby expressly finds that if the Project is not undertaken, the System will pose a hazard to the City and its inhabitants and will make the City unable to comply with state and federal law.

2.2.2. Because of the functional interdependence of the various portions of the System, the fact that the System may not lawfully operate unless it complies with state and federal laws, and the nature of the improvements financed, the City hereby finds and determines that the Project will substantially benefit the entire System and all of its users within the meaning of Sections 15 and 17 of the Act.

2.2.3. The City hereby determines and finds that for the purposes of the Act, including, in particular, Sections 15 and 17 of the Act, only the net income from the Project financed by the Revenue Bond be pledged for its payment.

SECTION 3. Authorization of Bonds, Pledge of Revenue and Security.

3.1. Authorization of Bonds. The City hereby determines and declares it necessary to issue Revenue Bonds in a principal amount of not to exceed \$1,400,000, plus costs of issuance and any reserve fund requirement. The Bonds are issued for the purpose of financing the Project and Issuance Costs, including proper reimbursements, and will be payable from a segregated special charge or surcharge established for the services of the facilities financed by the Revenue Bonds. The City hereby determines that because the Revenue Bonds are payable from solely the segregated portion of the revenue or income, no election is required to issue the Revenue Bonds.

3.2. Approval of Revenue Bonds. The issuance of Revenue Bonds in the principal amount not to exceed \$1,400,000, plus costs of issuance and any reserve fund requirement, shall be and the same is, in all respects, hereby authorized, approved, and confirmed and the Mayor, Finance Officer, and other appropriate officials shall be and are hereby authorized and directed to execute and seal the Revenue Bonds and deliver the Revenue Bonds to the ultimate purchaser, for and on behalf of the City, upon receipt

of the purchase price, and to use the proceeds thereof in the manner set forth herein. The Mayor and Finance Officer are hereby authorized to approve the final terms of the Revenue Bonds and their execution and delivery thereof shall evidence that approval. The Revenue Bonds shall be issued under the authority of SDCL Chapter 9-40 and SDCL Chapter 6-8B, and the provisions of the Act are hereby expressly incorporated herein as provided in Section 19 of the Act.

3.3. Pledge of Revenues. The Revenue Bonds together with the interest thereon, shall not constitute a charge against the City's general credit or taxing power, but shall be a limited obligation of the City payable solely out of the Project Debt Service Account, which payments, revenues and receipts are hereby pledged and assigned for the equal and ratable payments of the Revenue Bonds and shall be used for no other purpose than to pay the principal of and interest on the Revenue Bonds, except as may be otherwise expressly authorized (including the purpose of securing Additional Bonds issued as permitted by the terms thereof). The City covenants and agrees to charge rates for all services from the Project or establish special charges or surcharges which will be sufficient to provide for the payments upon the Revenue Bonds issued hereunder as and when the same become due, and as may be necessary to provide for the operation and maintenance and repairs of the Project, and depreciation, and the rate resolution or ordinance shall be revised from time to time so as to produce these amounts. The City hereby reserves the right to determine on a periodic basis the appropriate allocation of operation and maintenance expenses, depreciation, repair and reserves associated with the facilities financed with the Revenue Bonds, provided that such determination of allocable operation and maintenance expenses shall in no event abrogate, abridge or otherwise contravene any covenant of the City set forth in this Resolution.

SECTION 4. Special Charge or Surcharge for Revenue Bonds.

4.1. Surcharge. The City will establish the special charge or surcharge payable by every customer of its waterworks system who receives or benefits from the services of the Project. Such charge or surcharge shall be set at a level which, assuming a 1.10 coverage ratio, will produce income at the times and in amounts sufficient to pay when due the principal of and interest on the Revenue Bonds and all other payments as may be required under this Resolution and Revenue Bonds.

4.2. Payment of Bonds with Surcharge. The special charge or surcharge shall be segregated from other revenues of the System and shall be used for the payment of the principal and interest, when due on the Revenue Bonds. The special charge or surcharge shall create net income used first for paying debt service fund annual requirements and shall be maintained at not less than 100% of the debt service requirements on the Revenue Bonds.

4.3. Rates and collection. The rate herein specific will be collected as a special charge or surcharge for the Project. This special charge or surcharge shall remain in effect until such time as the Revenue Bonds is defeased or paid in full.

4.4. Initial Surcharge. The special charge or surcharge is set by this resolution and collected at the same time as other charges of the utility. All users within the area which benefit from the Project, current and future, shall be charged the special charge or surcharge. The special charge or surcharge is found to be equitable for the services provided by the Project. The special charge or surcharge shall begin at such time as will produce sufficient revenue to pay principal of and interest on the Revenue Bonds when due. The initial surcharge, until changed by resolution, be as follows:

\$4.84 base fee surcharge upon all classifications of customers.

The charges shall be segregated from other revenues and are pledged to the payment of the Bonds. The surcharge shall become effective August 1, 2019.

4.5. Segregation. The Finance Officer shall setup bookkeeping accounts in accordance with South Dakota Legislative Audit guidelines for the segregation of the revenue, special charges and surcharges.

4.6. Periodic review. The amount of the surcharge shall be reviewed from time to time, not less than yearly, and shall be modified in order to produce such funds as are necessary and required to comply with the rate covenant and to pay principal of, interest on the Revenue Bonds when due. The charges shall be reviewed yearly by city personal and administratively adjusted, upwards or downwards, pursuant to SDCL § 9-40-15 to such amounts as may be necessary to pay principal, interest, maintain any coverage requirements and other charges as may become due and owing under the Revenue Bonds.

4.7. Adjustment without Further Resolution. The surcharge may be administratively adjusted up to a \$6.84 base fee upon all classes of customers without further resolution in order to maintain coverage requirements.

SECTION 5. Additional Bonds. As permitted by Section 8 and 9 of the Act, additional bonds payable from revenues and income of the System or Project may be issued, as permitted in the section, and no provision of this Resolution shall have the effect of restricting the issuance of, or impairing the lien of, such additional parity bonds with respect to the net revenues or income from the extensions, additions or improvements. The City may issue additional bonds (the "Parity Bonds") payable from the Pledged Revenues and having a lien upon such revenues on a parity with the Bonds and the Outstanding Parity Bonds providing that:

5.1. the City is current in the payment of principal and interest on the Outstanding Bonds and is current in the collections required for the Principal and Interest Account and the Reserve Account.

5.2. the Pledged Revenues collected by the City in the last preceding fiscal year are sufficient to cover 1.25 times the maximum annual principal and interest requirements on the Outstanding Bonds and the proposed Parity Bonds. The City shall have the right to issue additional bonds secured by a lien subordinate to the lien from the Revenue Bonds.

SECTION 6. Project Fund Accounts. For the purpose of application and proper allocation of the income of the Project and to secure the payment of principal and interest on the Revenue Bonds, the following mandatory asset segregations shall be included in the water system account of the City and shall be used solely for the following respective purposes until payment in full of the principal of and interest on the Revenue Bonds:

6.1. Project Revenue Account. There shall be deposited periodically into the Project Revenue Account the net revenues as defined in Section 17 of the Act derived from the operation of the Project collected pursuant to the ordinances and resolutions of the City of Harrisburg, South Dakota (collectively the “Rate Ordinance”). Moneys from the Project Revenue Account shall be transferred periodically into separate funds and accounts as provided below.

6.2. Project Debt Service Account. Out of the revenues in the Project Revenue Account, there shall be set aside no later than the 25th day of each month into the account designated Project Debt Service Account, a sum sufficient to provide for the payment as the same become due of the next maturing principal and interest payment on the Revenue Bonds and any reserve determined by the City’s governing body to be necessary.

6.3. Reserve Account. Should a reserve be required for the sale of the Bonds, there may be a reserve account established in the amount equal to the lesser of (i) 10% of the original principal amount, (ii) the maximum annual debt service on, or (iii) 125% of the average annual debt service on, all Outstanding Bonds having a parity lien on the Pledged Revenues if required.

6.4. Depreciation Account. There shall be established a General Depreciation Account. Out of the revenues of the Project Revenue Account there shall be set aside each month into the General Depreciation Account an amount determined by the Commission to be a proper and adequate amount for repair and depreciation of the Project.

6.5. Project Surplus Account. There shall be established the Project Surplus Account. Revenues remaining in the Project Revenue Account at the end of any fiscal year after all periodic transfers have been made therefrom as above required, shall be deemed to be surplus and shall be transferred to the Project Surplus Account. If at any time there shall exist any default in making any periodic transfer to the Project Debt Service Account, the Council shall authorize the City Finance Officer to rectify such default so far as possible by the transfer of money from the Project Surplus Account. If any such default shall exist as to more than one account or fund at any time, then such transfer shall be made in the order such funds and accounts are listed above.

When not required to restore a current deficiency in the Project Debt Service Account, moneys in the Project Surplus Account from time to time may be used for any of the following purposes:

- (a) To redeem and prepay the Revenue Bond when and as such Revenue Bond becomes prepayable according to its terms;

(b) To pay for repairs of or for the construction and installation of improvements or additions to the System; and, if the balances in the Project Debt Service Account and the Project Depreciation Account are sufficient to meet all payments required or reasonably anticipated to be made there from prior to the end of the then current fiscal year, then:

(c) To be held as a reserve for redemption and prepayment of any bonds of the System which are not then but will later be prepayable according to their terms; or

(d) To be used for any other authorized municipal purpose designated by the Council.

SECTION 7. Approval of Bond Counsel. Cutler Law Firm, LLP is hereby retained as Bond Counsel with respect to the Revenue Bond (“Bond Counsel”).

SECTION 8. Approval of Dougherty. The Mayor and Finance Officer are authorized to retain Dougherty & Company LLC as underwriter/placement agent for the Bonds.

SECTION 9. Rating Agency. The Mayor and Finance Officer are authorized to retain a rating agency, if required, upon such terms as they approve.

SECTION 10. Tax Matters. The Interest on the Revenue Bond shall be excludable from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (“the Code”) and applicable Treasury Regulations (the “Regulations”).

SECTION 11. Covenants. The City hereby covenants and agrees with the owners of the Revenue Bond as follows:

11.1. The City will punctually perform all duties with reference to the Project, the System and the Revenue Bond required by the constitution and laws of the State of South Dakota and by this resolution.

11.2. The City agrees and covenants that it will promptly acquire and construct the improvements included in and related to the Project and spend all available proceeds of the Revenue Bonds including interest earnings thereon within three years from the date of issuance. The City reasonably anticipates to enter into a binding agreement to spend not less than 5% of the proceeds of the Bonds within six months of the date of issuance.

11.3. The City covenants and agrees that pursuant to Sections 25 through 27 of the Act, the lawful holders of the Revenue Bond shall have a statutory mortgage lien upon the Project and the extensions, additions and improvements thereto acquired pursuant to the Act, until the payment in full of the principal and interest on the Revenue Bond, and the City agrees not to sell or otherwise dispose of the System, the Project, or any substantial part thereof, and shall not establish, authorize or grant a franchise for the operation of any other utility supplying like products or services in competition therewith, or permit any person, firm or

corporation to compete with it in providing water supply for municipal, industrial, and domestic purposes within the City.

11.4. The City covenants and agrees with the owners of the Revenue Bonds that it will maintain the System in good condition and operate the same in an efficient manner and at a reasonable cost, so long as any portion of the Revenue Bond remains outstanding; that it will maintain insurance on the System for the benefit of the holders of the Revenue Bond in an amount which usually would be carried by private companies in a similar type of business; that it will prepare, keep and file records, statements and accounts as provided for in this Resolution. The Revenue Bond shall refer expressly to this Resolution and the Act and shall state that it is subject to all provisions and limitations thereof pursuant to Series 19 of the Act.

11.5. The City covenants and agrees that it will at all times comply with the Code and Regulation so that the interest on the Bonds not be includable in gross income for federal income tax purposes.

SECTION 12. Depositories. The Finance Officer shall cause all moneys pertaining to the Funds and Accounts to be deposited as received with one or more banks which are duly qualified public depositories under the provisions of SDCL Ch. 4-6A, in a deposit account or accounts, which shall be maintained separate and apart from all other accounts of the City, so long as any of the Bonds and the interest thereon shall remain unpaid. Any of such moneys not necessary for immediate use may be deposited with such depository banks in savings or time deposits. No money shall at any time be withdrawn from such deposit accounts except for the purposes of the Funds and Accounts as authorized in this Resolution; except that moneys from time to time on hand in the Funds and Accounts may at any time, in the discretion of the City's governing body, be invested in securities permitted by the provisions of SDCL 4-5-6; provided, however, that the Depreciation Fund may be invested in such securities maturing not later than ten years from the date of the investment. Income received from the deposit or investment of moneys shall be credited to the Fund or Account from whose moneys the deposit was made or the investment was purchased, and handled and accounted for in the same manner as other moneys therein.

SECTION 13. Consent to Appointment. In the event of mismanagement of the Project, a default in the payment of the principal or interest of the Revenue Bond, or in any other condition thereof materially affecting the lawful holder of the Revenue Bond, or if the revenues of the Project are dissipated, wasted or diverted from their proper application as set forth herein, the City hereby consents to the appointment of a receiver pursuant to Section 33 of the Act, and agrees that the receiver will have the powers set forth therein, and in Section 34 and 35 of the Act to operate and administer the Project, and charge and collect rates as described therein.

SECTION 14. Severability. If any section, paragraph, clause or provision of this Resolution, the Revenue Bonds, or any agreement pertaining hereto shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Resolution or Revenue Bonds, or any other documents pertaining hereto.

SECTION 15. Authorization of City Officials. The Mayor, Finance Officer, and the City Administrator shall be and they are hereby authorized to execute and deliver for and on behalf of the City any and all other certificates, documents or other papers and to perform such other acts as they may deem necessary or appropriate by Bond Counsel and the original purchaser of the Bonds in order to implement and carry out the actions authorized herein.

SECTION 16. Sale of Bonds.

16.1. Sale. The Bonds shall be sold to a purchaser or purchasers or placed by Dougherty at a true interest cost for the Bonds not to exceed 4.00% per annum or have a final maturity date later than December 15, 2039. The Mayor and the Finance Officer, or either of them, in consultation with Dougherty, is authorized to make such changes in the structuring of the terms and sale of the Bonds as they shall deem necessary. In this regard, they, or either of them, in consultation with Dougherty, are authorized to cause to be sold an aggregate principal amount of the Bonds less than that authorized herein, to sell any or all of the Bonds as term Bonds with annual mandatory redemption requirements which will produce substantially the same annual principal reductions as authorized herein, to change the dated date of the Bonds, and to adjust principal and interest payment dates and redemption dates of the Bonds. The Mayor and the Finance Officer, or either of them, are hereby authorized to execute and the Finance Officer is authorized to attest any documents necessary by the ultimate purchaser of the Bonds to effectuate the sale of the Bonds in accordance with the provisions of this Resolution, and is not inconsistent with the terms hereof. The Mayor and Finance Officer are authorized to cause the Bonds to be authenticated and delivered by the Registration Agent to the purchaser and to execute, publish, and deliver all certificates and documents and closing certificates and documents, as they shall deem necessary in connection with the sale and delivery of the Bonds.

16.2. The Bonds are issuable only as fully registered Bonds, without coupons, in the denomination of Five Thousand Dollars (\$5,000), any integral multiple thereof, or such denominations as the Finance Officer determines with the original purchaser of the Bonds.

16.3. The Bonds shall be executed in such manner as may be prescribed by applicable law in the name and on behalf of the City with the manual or facsimile signature of the Mayor, attested by the manual or facsimile signature of the Finance Officer, and approved as to form and countersigned by a Resident Attorney by his manual or facsimile signature.

16.4. In the event any officer whose manual or facsimile signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such manual or such facsimile signature shall nevertheless be valid and sufficient for all purposes as if he or she had remained in office until such delivery. Any Bond may bear the facsimile signature of, or may be manually signed by, such individuals who, at the actual time of the execution of such Bond, were the proper officers of the City to sign such Bond, although on the date of the adoption by the City of this Resolution, such individuals may not have been such officers.

16.5. The Bonds are transferable as set forth in the ultimate Bond delivered to the ultimate purchaser and the Finance Officer (the “Registration Agent”) is hereby appointed as registration agent. The Bonds need not be presented to the Registration Agent for payment and may be transferred by executing in writing the form of assignment on the reverse side thereof completed in full and signed with the name of the registered owner as it appears upon the face of the Bond(s) accompanied by appropriate documentation necessary to prove the legal capacity of any legal representative of the registered owner. Upon receipt of the Bond(s) in such form and with such documentation, if any, the Registration Agent shall issue a new Bond or Bonds to the assignee(s) in \$5,000 denominations, or integral multiples thereof, as requested by the registered owner requesting transfer. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular or Special Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the publication of notice calling such Bond for redemption has been made, nor to transfer or exchange any Bond during the period following the receipt of instructions from the City to call such Bond for redemption; provided, the Registration Agent, at its option, may make transfers after any of said dates. No charge shall be made to any registered owner for the privilege of transferring any Bond, provided that any transfer tax relating to such transaction shall be paid by the registered owner requesting transfer. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the City nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bonds shall be overdue. Bonds, upon surrender to the Registration Agent, may, at the option of the registered owner, be exchanged for an equal aggregate principal amount of Bonds of the same maturity in any authorized denomination or denominations.

16.6. In the event any Bond is mutilated, lost, stolen, or destroyed, the City may execute, and upon the request of the City, the Registration Agent shall authenticate and deliver, a new Bond of like maturity, interest rate, and principal amount, and bearing the same number (but with appropriate designation indicating that such new Bond is a replacement Bond) as the mutilated, destroyed, lost, or stolen Bond, in exchange for the mutilated Bond or in substitution for the Bond so destroyed, lost, or stolen. In every case of exchange or substitution, the bondholder shall furnish to the City and the Registration Agent: (1) such security or indemnity as may be required by them to save each of them harmless from all risks, however remote; and, (2) evidence to their satisfaction of the mutilation, destruction, loss, or theft of the subject Bond and the ownership thereof. Upon the issuance of any Bond upon such exchange or substitution, the City and the Registration Agent may require the Owner thereof to pay a sum sufficient to defray any tax or other governmental charge that may be imposed in relation thereto and any other expenses, including printing costs and counsel fees, of the City and the Registration Agent. In the event any Bond which has matured or is about to mature shall become mutilated or be destroyed, lost, or stolen, the City may, instead of issuing a Bond in exchange or substitution therefor, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Bond) if the Owner thereof shall pay all costs and expenses, including attorney’s fees, incurred by the City and the Registration Agent in connection herewith, as well as a sum sufficient to defray any tax or other

governmental charge that may be imposed in relation thereto and shall furnish to the City and the Registration Agent such security or indemnity as they may require to save them harmless and evidence to the satisfaction of the City and the Registration Agent the mutilation, destruction, loss, or theft of such Bond and of the ownership thereof.

16.7. Every Bond issued pursuant to the provisions of this section shall constitute an additional contractual obligation of the City (whether or not the destroyed, lost, or stolen Bond shall be found at any time to be enforceable) and shall be entitled to all the benefits of this Resolution equally and proportionately with any and all other Bonds duly issued under this Resolution.

16.8. All Bonds shall be held and owned upon the express condition that the provisions of this Section are exclusive, with respect to the replacement or payment of mutilated, destroyed, lost, or stolen Bonds, and, to the maximum extent legally permissible, shall preclude all other rights or remedies, notwithstanding any law or statute now existing or hereafter enacted to the contrary.

16.9. The Registration Agent is hereby authorized to authenticate and deliver the Bonds to Dougherty or as it may designate upon receipt by the City of the proceeds of the sale thereof, to authenticate and deliver Bonds in exchange for Bonds of the same principal amount delivered for transfer upon receipt of the Bond(s) to be transferred in proper form with proper documentation as hereinabove described. The Bonds shall not be valid for any purpose unless authenticated by the Registration Agent by the manual signature of an officer thereof on the certificate set forth herein on the Bond form.

16.10. Payments of principal and interest on the Bonds shall be payable by ACH, wire transfer, check or draft mailed to the registered owner(s) of the Bonds.

SECTION 17. Preliminary Official Statement and Official Statement.

If required for placement of the Bonds by Dougherty, the Mayor and Finance Officer, and the underwriter are hereby authorized and directed to provide for the preparation and distribution of a Preliminary Official Statement describing the Bonds (the "Preliminary Official Statement"). After the Bonds have been sold, the Mayor and Finance Officer shall make such completions, omissions, insertions and changes in the Preliminary Official Statement not inconsistent with this Resolution as are necessary or desirable to complete it as a final Official Statement for purposes of Rule 15c2-12(e)(3) of the Securities and Exchange Commission.

To comply with paragraph (b) (3) of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Rule") and with Rule G-32 City agrees to deliver to the underwriter, the Official Statement (which shall be a final official statement, as such term is defined in the Rule, as of its date) in an electronic format as prescribed by the MSRB.

The City hereby covenants and agrees that it will provide financial information and material event notices as required by Rule 15c2-12 of the Securities Exchange Commission for the Revenue Bonds. The Mayor is authorized to execute at the closing of the sale of the Revenue Bonds, an agreement for the benefit of and enforceable by the owners of the Revenue Bonds specifying the

details of the financial information and material event notices to be provided and its obligations relating thereto. Failure of the City to comply with the undertaking herein described and to be detailed in said closing agreement, shall not be a default hereunder, but any such failure shall entitle the owner or owners of any of the Revenue Bonds to take such actions and to initiate such proceedings as shall be necessary and appropriate to cause the City to comply with its undertaking as set forth herein and in said agreement, including the remedies of mandamus and specific performance.

SECTION 18. Record Retention and Post Issuance Compliance. The City does hereby adopt a Post-Issuance Compliance Policy for Tax Exempt and Tax-Advantaged Obligations and Continuing Disclosure policy as its written post issuance compliance procedures with regard to the current financing. The Finance Officer is directed to retain records with regard to this financing for the entire term of the financing plus three years and to keep record of all payments for six years after the payment has been made.

SECTION 19. Effective Date. This Resolution shall take effect on the 20th day following its publication, unless suspended by a referendum.

Adopted at City of Harrisburg, South Dakota, this 19th day of June 2019.

APPROVED:

Julie Burke – Van Luvanee
Mayor

Attest: Mary McClung
City Finance Officer

Passed: June 19, 2019
Published: June 27, 2019
Effective: July 18, 2019

Business Item 3. Letter of Intent – City of Harrisburg – Water Surcharge Revenue Bonds, Series 2019 Motion Olson, seconded Maxwell to engage Dougherty & Company LLC as the underwriter for the Water Surcharge Revenue Bonds, Series 2019 and authorize the City Administrator to sign the acknowledgement. Upon roll call vote; all in favor.

Business Item 4. Placement Agent Agreement – City of Harrisburg SD Water Surcharge Revenue Bonds Series 2019- Motion Maxwell, seconded Tank to approve and authorize the City Administrator sign the agreement with Dougherty & Company LLC as the placement agent for the City of Harrisburg SD Water Surcharge Revenue Bonds, series 2019 at a fee of \$14,000.00. Upon roll call vote; all in favor.

Business Item 5. Resolution 2019-13 Amending Water Rates Motion Tank, seconded Maxwell to approve and authorize the Mayor to sign Resolution 2019-03 amending water rates. Upon roll call vote; all in favor.

RESOLUTION NO. 2019-13
A RESOLUTION AMENDING WATER RATES

WHEREAS, the Harrisburg City Council believes that it is necessary and in the best interest of the City of Harrisburg, in order to pay all costs for the operation and maintenance of the water system, to amend the rates for the sale of water provided by the City of Harrisburg; and

WHEREAS, Section 8.0115 of the Harrisburg Municipal Ordinances gives the Harrisburg City Council the authority to revise water rates by Resolution of the Harrisburg City Council; and

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

SECTION 1. That the following base monthly charge is established for the various meter sizes listed below.

| <u>Meter Size:</u> | <u>Minimum Charge:</u> |
|--------------------|------------------------|
| 5/8" and 3/4" | \$6.80 |
| 1" | \$9.99 |
| 1 1/2" | \$22.71 |
| 2" | \$33.32 |
| 3" | \$66.23 |
| 4" | \$127.26 |
| 5" and up | TBD |

SECTION 2. All single-family dwelling customers shall pay a tiered volume rate per as follows:

- (a) 1 – 3000 gallons at a rate of fifty-one cents (\$0.51) per one thousand gallons of water used per month,
- (b) 3,001 to 6,000 gallons at a rate of three dollars and twenty-four cents (\$3.24) per one thousand gallons of water used per month,
- (c) 6,001 to 9,000 gallons at a rate of eight dollars and twenty-seven cents (\$8.27) per thousand gallons of water used per month
- (d) Over 9,001 gallons at a rate of thirteen dollars and eighteen cents (\$13.18) per thousand gallons of water used per month.

SECTION 3. That all multi family, school district facilities, commercial and industrial customers shall pay a volume rate as follows:

- (a) Three dollars and twelve cents (\$3.12) per one thousand gallons of used per month.

SECTION 4. Any surcharges separately authorized by resolution shall be in addition to the above water rates.

SECTION 5. This rate change is effective beginning August 1, 2019.

Adopted this 19th day of June 2019.

Julie Burke – Van Luvanee
Mayor

ATTEST:
Mary McClung
Finance Officer

Publication: June 27, 2019
Effective Date: July 18, 2019
Published once at the approximate cost of _____.

Business Item 6. Approval of pay request #2 Commerce Avenue Sanitary Sewer Extension (Siteworks Inc) Motion Olson, seconded Berg to approve Pay Request #2 for Commerce Avenue Sanitary Sewer Extension from Siteworks, Inc in the amount of \$129,676.14. Upon roll call vote; all in favor.

Business Item 7. Approval of Pay Request #2 – HWY 115 Water Main Relocation (Lincoln County Rural Water) Motion Maxwell, seconded Tank to approve Pay Request #2 from Lincoln County Rural Water Systems Inc. through the period of May 1, 2019 through May 31, 2019 in the amount of \$432,872.73 for the SD HWY 115 Water Main Relocation and Upsizing. Upon roll call vote; all in favor.

Business Item 8. 1st Reading Ordinance 2019-05 Establishing a Disability Awareness Commission. Motion Olson, seconded Maxwell to set the 2nd reading of Ordinance 2019-05 Establishing a Disability Awareness Commission for the Monday, July 1, 2019 City Council meeting. Upon roll call vote; all in favor. Mayor thanked those involved for working on getting it established.

Business Item 9. Approval of the Community Library Lease with the Harrisburg School District. Motion Tank, seconded Maxwell to approve and authorize the Mayor sign the 5-year lease for the Community Library space within the Liberty Elementary School with the Harrisburg School District in the amount of \$3,000.00/ year. Upon roll call vote; all in favor.

Business Item 10. Consider Stockwell Amendment to Westside Trunk Sanitary Sewer Agreement. Motion Berg, seconded Maxwell to approve the Amendment to the Westside Trunk Sanitary Sewer agreement with Stockwell Engineers to include an evaluation of the Nine Mile basin and how it affects the westside trunk sewer in an amount not to exceed \$16,087.00. Upon roll call vote; all in favor.

Business Item 11. Approval of Second Amendment to Wastewater Agreement NO. 09-03585 between the City of Sioux Falls and the City of Harrisburg. Motion Olson, seconded Maxwell to approve the Second Amendment to Wastewater Agreement NO 09-3585 between the City of Sioux Falls and the City of Harrisburg. Upon roll call vote; all in favor.

Business Item 12. Consider new hires – summer temporary public works

- a.) Jared Inskip. Motion Tank, seconded Maxwell to hire Jared Inskip at a rate of \$12.00/hour at the position of summer temporary public works beginning June 24, 2019. Roll call; Tank - aye, Maxwell – aye, Olson abstains, Berg – aye.
- b.) Blake Smith. Motion Tank, seconded Maxwell to hire Blake Smith at a rate of \$12.00/hour at the position of Summer Temporary Public Works beginning June 24, 2019. Upon roll call vote; all in favor.

Business Item 13. Consider Taping and You-Tube of City Council meetings. A resident has volunteered to bring a Go Pro to test the quality at the July 1, 2019 meeting.

Verbal reports were given by Mahrt with Stockwell Engineers with updates to City Projects. Pietrus provided a draft of the response for questions brought forth regarding the WWTF contract for services and asked for consensus to offer HarrisBucks for a refund to drink tickets that were unable to be used at Harrisburg Days. Consensus was given with a deadline date of noon on July 3, 2019. Berg mentioned checking out the MyCivic app. Maxwell reported that Library board has a meeting 6/24/19 at 4pm and that National Night Out is coming up on August 6th. Mayor received a nice letter regarding Harrisburg Days and thanked all of those involved in making it another successful event. Mayor will be having a round table on 7/13/19 with the place and time to be determined,

The next regular meeting of the Harrisburg City Council will be held at 6:00 pm on Monday, July 1, 2019 at the Liberty School Community Room.

With no further business, a motion was made by Maxwell, seconded Tank, to adjourn the city council meeting at 6:59 pm.

Submitted by Jill Johnke, Administrative Assistant/Deputy Finance Officer