

Harrisburg City Council
Meeting Minutes

The regular meeting of the City Council was called to order on September 7, 2021 at 6:00 pm, with Mayor Wenck presiding. Council members present were, Kevin Maxwell, Tom Anez, Chris Kindt, and Danny Tank. Also present from the city were Jill Johnke, Toby Huizenga, Larry Klipfel, Joe Stonesifer, Andrew Pietrus and Mary McClung. A list of all others in attendance is on file at the city office.

No public comment offered for non-business and business items

Consent Agenda: Motion Tank, seconded Maxwell to approve the consent agenda.

1. Approved of September 7, 2021 Agenda
2. Approved August 17, 2021 City Council Meeting Minutes
3. Approved August 31, 2021 Joint City Council and Planning and Zoning Meeting Minutes.
4. Approved September 7, 2021 Claims
5. Approved Temporary Street Closure Request – Block Party – Closure of Macey Avenue between Legendary and Miah, September 25, 2021 from 4pm – 10pm
6. Approved Temporary Street Closure Request – Block Party – Closure of Arelene Avenue between Laura Street and Coyote Street, September 18th, 2021 from 10am – 2 am on September 19th, 2021
7. Approved Mayor to Sign Amendment No. 2 Library Board of Trustees Bylaw Change of Section 1 Time and Place
8. Approved Surplus of a Woods Model S106-3, 3point mounted side mower with 6’ deck and place item on Purplewave Auction
9. Approved and Authorized Mayor to Sign Water Reclamation Facility Change Order #25 – UV Power System Changes AWM - \$1,471
10. Approved and Authorized Mayor to Sign Subdivision Construction Agreement for Sunny Haven Addition
11. Mayor Appointment of Ryan Berg to Harrisburg Park Board Term of 2024
12. Mayoral Proclamation – “Deaf Awareness Week” September 20- 24, 2021.

Upon roll call, all members present in favor.

A & B Auto Specialists – Repairs/Maintenance (Streets, Water, Sewer, Parks) \$807.26; A & B Business Inc. – Rentals (Engineering) \$115.50; Ace Hardware – Supplies/Materials (Streets, Water, Sewer, Park, Govt Bldgs, Weed Control) \$5,358.98; Aflac – Aflac Withholdings \$719.40; Barden, Morgan & Kellen – Customer Deposit Refund (Water) \$106.62; Benders Sewer & Drain – Professional Services/Fees (Storm Drainage Fund) \$20,695.25; Bierschbach Equipment & Supplies – Repairs/Maintenance (Streets, Water, Sewer, Parks) \$86.90; Blackburn Mfging Co. Supplies/Materials (Sewer, Water) \$303.21; Bob’s Lock & Key – Professional Services/Fees, Supplies/Materials (Govt Bldgs) \$123.50; Boyer, Jared & Kassy – Customer Deposit Refund (Water) \$61.77; Cadd Engineering Supply of SD – Supplies/Materials (Engineering) \$53.98; Cardmember Services – Supplies/Materials, Books, Professional Services/Fees, Community Education/Events, Travel/Conference (Planner, Fin Admin, Library, Streets, Water, Sewer, Parks, Engineering) \$7,349.03; CC & F – Energy (Streets, Water, Sewer, Parks, Engineering, Code Enforcement) \$1,354.80; Cell Phone Allowances – Utilities (Govt Bldgs) \$980.00; CHS – Rentals (Streets, Water, Sewer, Parks) \$255.00; Cihak, Betty – Customer Deposit Refund (Water) \$121.17; Cooperative Energy Company – Energy (Streets, Water, Sewer, Parks) \$1,071.20; Core & Main LP – Supplies/Materials (Water) \$656.97; Dakota Fluid Power, Inc. – Supplies/Materials (Snow Removal) \$68.48; Dale, Mabelle & Aaron – Customer Deposit Refund (Water) \$103.00; Department of Treasury – Federal Tax Withholdings \$10,810.93; Double H Paving, Inc. – Buildings (Govt Bldgs) \$149.78; Fastenal Company – Supplies/Materials (Streets) \$329.92; Frahm, Robert & Brittney – Customer Deposit Refund (Water) \$43.79; Geotek Engineering – Professional Services/Fees (Sewer) \$4,301.00; Grainger – Supplies/Materials (Sewer) \$391.96; Graham Tire Company – Repairs/Maintenance (Parks) \$150.00; Gruber, August – Customer Deposit Refund (Water) \$43.20; Harrisburg Baseball Assoc – Subsidies (Recreation) \$20,000.00; Harrisburg Water – Utilities (Govt Bldgs, Sewer, Streets, Water, Sewer, Parks) \$1,009.09; Health Equity – H S A Withholdings \$454.62; Henry Carlson Construction, LLC – Improvements other than Buildings (Sewer) \$1,179,936.00; Hierholzer, Mark – Professional Services/Fees (Sewer) \$2,125.00; Home Definition, Inc. – Professional Services/Fees (Govt Bldgs) \$25.00; HDR Engineering, Inc. –

Professional Services/Fees (Engineering - General) \$7,178.75; Hora, Joyce – Customer Deposit Refund (Water) \$103.95; Innovative Office Solutions, LLC – Machinery/Equipment (Sewer) \$8,104.10; Interstate Power Systems Inc. – Repair/Maintenance (Sewer) \$4,008.60; JSA Consulting Engineers/Land – Professional Services/Fees (Engineering-General, Storm Water) \$11,797.00; Karls – Machinery/Equipment, Supplies/Materials (Sewer) \$7,613.76; Knadel, Sonja – Customer Deposit Refund (Water) \$138.45; Kneip, Kolin – Customer Deposit Refund (Water) \$13.62; Kraayenbrink, Brittany & Korey – Customer Deposit Refund (Water) \$108.08; LG Everist – Buildings (Govt Bldgs) \$362.07; LG Everist – Buildings (Govt Bldgs) \$187.60; Lewis & Clark Regional Water – Water for Resale (Water) \$10,881.60; Linc. Co. Register of Deeds – Professional Services/Fees, Supplies/Materials (Planner) \$222.00; Lincoln County Sheriff – Professional Services/Fees (Police) \$3,672.04; LRE Water – Professional Services/Fees (Water) \$2,277.05; Marco, Inc. – Rentals, Supplies/Materials (Streets, Water, Sewer, Parks, Fin Adm, Planning) \$620.76; Matheson Tri-Gas Inc. – Supplies/Materials (Streets, Water, SEwer, Parks) \$32.58; McCafferty, Amanda – Customer Deposit Refund (Water) \$87.00; Menards-East – Supplies/Materials (Sewer) \$231.92; Merchen, Holly – Customer Deposit Refund (Water) \$125.97; Michael’s Purple Petunia – Professional Services/Fees (Sewer) \$6,562.50; Midwest Alarm Company, Inc. – Professional Services/Fees (Govt Bldgs) \$95.00; Novak, Chris – Customer Deposit Refund (Water) \$150.00; Novak Sanitary Services – Utilities (Govt Bldgs) \$109.66; Payment Service Network – Professional Services/Fees (Planner, Water, Sewer) \$2,034.46; Payroll – August 2021 (All Departments) \$107,899.23; Pfeifer Implement – Repairs/Maintenance (Parks) \$189.41; Pheasantland Industries – Supplies/Materials (Streets) \$2,902.14; Prairie Wind Trailers, LLC – Supplies/Materials, Repairs/Maintenance (Govt Bldgs, Parks) \$40.00; Qualified Presort Service, LLC – Supplies/Materials (Water, Sewer) \$1,220.21; Rasmusson, Kamrin & Sean – Customer Deposit Refund (Water) \$70.98; Redders (Holien, Jeremy & Jenn) – Customer Deposit Refund (Water) \$92.34; Rowan, Michael & Ute – Customer Deposit Refund (Water) \$103.00; Rural Route 1 Services – Utilities (Govt Bldgs) \$126.50; Sams Club GEMB – Supplies/Materials (Library, Govt Bldgs) \$750.94; Savage, Brandi – Travel Reimbursement (Planner) \$815.54; Sawatzke, Anna & Lane – Customer Deposit Refund (Water) \$118.15; Schoeneman Bros Co. – Buildings (Govt Bldgs) \$375.00; Schutz, Marie – Customer Deposit Refund (Water) \$98.47; Sioux Falls Networks & Communications – Professional Services/Fees, Supplies/Materials, Machinery/Equipment (Fin Admin, Streets, Water, Sewer, Parks, Engineering) \$1,905.29; Sioux International - Repairs/Maintenance (Weed Control, Streets, Water, Sewer, Parks) \$560.73; Sioux Valley News – Publishing (Ord., Res., Proceedings) \$228.43; Siteone Landscape Supply, LLC – Supplies/Materials (Weed Control) \$590.10; South Dak Retirement System – SDRS Withholdings \$11,489.28; SD Supplemental Retirement Plan – SDRS Withholdings \$325.00; SD Supplement Retirement Plan – SDRS Withholdings \$225.00; SE Electric – Energy (Sewer, Street Lighting Fund, Water) \$5,307.75; Stan Houston – Machinery/Equipment, Supplies/Materials (Sewer, Streets) \$5,194.95; Staples Advantage – Supplies/Materials (Fin Adm, Planner, Comm Dev Dir,) \$371.74; Starn, Glenna – Customer Deposit Refund (Water) \$136.19; Steffen, Dustin & Jill – Customer Deposit Refund (Water) \$128.83; Stockwell Engineers Inc – Professional Services/Fees (Sewer, Storm Drainage, General) \$90,669.26; Sturdevant’s Auto Supplies – Supplies/Materials, Repairs/Maintenance (Streets, Water, Sewer, Parks, West Nile Prevention) \$304.21; Tyler, Scott – Customer Deposit Refund (Water) \$124.10; Utility Service Company, Inc. – Repairs/Maintenance (Water) \$500.00; Vast Broadband – Utilities, Professional Services/Fees (Sewer) \$751.10; Vast Broadband – Utilities (Govt Bldgs, Library) \$861.03; Verizon Wireless – Utilities (Water, Sewer, Engineering) \$240.10; Water Environment Federation – Professional Services/Fees (Water, Sewer) \$155.00; Wellmark Blue Cross Blue Shield – Group Insurance (Planner) \$197.70; Wellmark Blue Cross Blue Shield – Group Insurance, Insurance Withholdings (Fin Admin, Engineering, Streets, Water, Sewer, Parks, City Admin) \$8,121.20; Wenck, Derick – Travel/Conference (Mayor) \$172.48; White Glove Cleaning Services – Utilities (Govt Bldgs) \$81.25; Wilson, Jordan – Customer Deposit (Water) \$50.30; Xcel – Energy (Park Lighting, Govt Bldgs, Public Safety, Water, Sewer, Street Lighting) \$12,415.49

Business Item 2. Consider Purchase of ULV Sprayer for West Nile. Motion Tank, seconded Maxwell to approve the purchase of a Grizzly w/smart flow ULV Sprayer in the amount of \$13,714 from Van Diest Supply Company. Upon roll call vote, all members present in favor.

6:03 pm - Public Hearing for a Special Event Temporary On-Sale Malt Beverage License – American Legion Post 45 – 303 Main Street on October 2, 2021. No public comment offered.

Westside Sanitary Sewer Study Presentation provided by Banner Engineering.

Business Item 1. Approve Special Event Temporary On-Sale Malt Beverage License for Harrisburg American Legion Post #45 at 303 Main Street on October 2, 2021. Motion Tank, seconded Anez to

approve the special event temporary on sale malt beverage license for the Harrisburg American Legion Post #45 at 303 Main Street on October 2, 2021. Upon roll call, all members present in favor.

Business Item 3. Consider Quote from Augustana University Archeology Laboratory for a Level III Cultural Survey for the Proposed Harrisburg Westside Sanitary Sewer Phase I Improvement Project - \$2,572. Motion Maxwell, seconded Anez to approve the quote from the Augustana University Archeology Laboratory for a cultural resources survey for the proposed Harrisburg Westside Sanitary Sewer Phase I Improvement Project in the amount of \$2,572. Upon roll call, all members present in favor.

Business Item 4. Consider Quote from Bender Sewer and Drain for Sewer Televising of the Trunk Sewer Line from Sunny Haven Development to Honeysuckle. Motion Kindt, seconded Maxwell to approve the quote from Bender Sewer Cleaning for televising the trunk sewer line from Sunny Haven Development to Honeysuckle in the amount of \$9,675.90. Upon roll call, all members present in favor.

Business Item 5. Consider Quote from Traffic Solutions for Traffic Painting 2021 Package 2. Motion Tank, seconded Maxwell to approve the quote from Traffic Solutions for traffic painting 2021 Package #2 in the amount of \$675. Upon roll call, all members present in favor.

Business Item 6. Consider Quote for Sidewalk Installation in Various Locations in Downtown Harrisburg. Motion Tank, seconded Kindt to approve the quote from 605 Companies for sidewalk installation in various locations in downtown Harrisburg in the amount of \$18,536 with the stipulation that the owner of 301 Maple Street be requested to split costs of new concrete. Upon roll call, all members present in favor.

Business Item 7. 2nd Reading Ordinance 2021-09 To Amend Chapter 11.05: Urban & Rural Service District Regulations by Addition Section 11.0507 Procedure to Amend Exhibit A to Include or Exclude Lands Included in the Rural Service District. Motion Tank, seconded Maxwell to approve Ordinance 2021-09 to Amend Chapter 11.05: Urban & Rural Service District Regulations by Adding Section 11.0507 Procedure to Amend Exhibit A to Include or Exclude Lands Included in the Rural Service District. Upon roll call, all members present in favor.

Business Item 8. 2nd Reading Ordinance 2021-10 An Ordinance Creating Zoning Regulations for Cannabis Establishments. Motion Anez, seconded Maxwell to approve Ordinance 2021-10 Creating zoning regulations for cannabis establishments. Upon roll call, all members present in favor.

Business Item 9. 2nd Reading Ordinance 2021-11 An Ordinance Creating Licensing Regulations for Cannabis Establishments in the City of Harrisburg, South Dakota. Motion Tank, seconded Maxwell to approve Ordinance 2021-11 Creating licensing regulations for cannabis establishments in the City of Harrisburg, South Dakota. Upon roll call, all members present in favor.

A water and sewer rate study was conducted in 2021 by AE2S. To meet debt requirements, operating expenses, and capital improvements expenses the report indicated rate adjustments for water, sewer and surcharges. The average user overall rate adjustment is approximately 3.5%.

Business Item 10. Resolution 2021-26 Amending Sewer Rates. Motion Kindt, seconded Anez to approve Resolution 2021-26 Amending Sewer Rates. Upon roll call, all members present in favor.

RESOLUTION NO. 2021-26 A RESOLUTION AMENDING SEWER 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, maintenance, and improvement of the City's sewer system, to amend the rates for the collection and disposal of wastewater provided by the City of Harrisburg; and

WHEREAS, Sections 8.0103 and 8.0366 of the Harrisburg Municipal Ordinances gives the Harrisburg City Council the authority to set sewer rates by Resolution of the Harrisburg City Council; and

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

SECTION 1. That all residential single-family dwelling unit customers shall pay:

- (i) a minimum base monthly fee of twenty-two dollars and fifty four cents (\$22.54) per month (the “Base Fee”), plus four dollars and zero cents (\$4.00) per one thousand gallons of water used per month (the “Volume Rate”), based on their average use in the months of December, January and February (“winter average”).
- (ii) Council authorizes City staff to adopt a written policy for calculating winter usage.

SECTION 2. That all residential multi-family customers shall pay:

- (i) a minimum base monthly fee of thirty-eight dollars and seventy one cents (\$38.71) per month (the “Base Fee”) per living unit, plus nine dollars and fifty cents (\$9.50) per one thousand gallons of water used per month (the “Volume Rate”).
- (ii) Council authorizes City staff to adopt a written policy for calculating the number of living units.

SECTION 3. That all school district facilities, commercial customers and industrial customers shall pay:

- (i) a minimum base monthly fee of twenty-two dollars and fifty four cents (\$22.54) per month (the “Base Fee”), plus eight dollars and thirty cents (\$8.30) per one thousand gallons of water used per month (the “Volume Rate”).

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

SECTION 5. This rate change is effective beginning with the January 1, 2022 bills.

Adopted this 7th day of September, 2021.

Derick Wenck
Mayor

ATTEST:

Mary McClung
Finance Officer

Publication: September 16, 2021

Effective Date: October 6, 2021

Business Item 11. Resolution 2021-27 Amending Water Rate. Motion Maxwell, seconded Anez to approve Resolution 2021-27 Amending Water Rates. Upon roll call, all members present in favor.

RESOLUTION NO. 2021-27
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" | \$9.58 |
| 1" | \$14.17 |
| 1 1/2" | \$25.66 |
| 2" | \$39.44 |
| 3" | \$71.59 |
| 4" | \$117.52 |
| 5" and up | TBD |

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

- (a) 0 – 3000 gallons at a rate of two dollars and one cents (\$2.01) per one thousand gallons of water used per month,
- (b) 3,001 to 6,000 gallons at a rate of three dollars and two cents (\$3.02) per one thousand gallons of water used per month,
- (c) 6,001 to 18,000 gallons at a rate of seven dollars and fifty-five cents (\$7.55) per thousand gallons or water used per month
- (d) Over 18,001 gallons at a rate of thirty dollars and twenty cents (\$30.20) 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) Four dollars and sixty cents (\$4.60) 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 January 1, 2022.

Adopted this 7th day of September 2021.

Derick Wenck
Mayor

ATTEST:

Mary McClung
Finance Officer

Publication: September 16, 2021

Effective Date: October 6, 2021

Business Item 12. Resolution 2021-28 Surcharge Resolution to Revise the Surcharge Imposed on Users of the City's Drinking Water System (DW-02) in Order to Repay a Surcharge Revenue Bond in the Original Principal Amount of \$1,714,327. Motion Tank, seconded Maxwell to approve Resolution 2021-28 revising the Surcharge Imposed on Users of the City's Drinking Water System (DW-02) in Order to Repay a Surcharge Revenue Bond in the Original Principal Amount of \$1,714,327, surcharge rate being \$.65 per one thousand gallons of water used per month. Upon roll call, all members present in favor.

RESOLUTION NO. 2021-28

RESOLUTION OF THE CITY OF HARRISBURG, SOUTH DAKOTA TO REVISE THE SURCHARGE IMPOSED ON USERS OF THE CITY'S DRINKING WATER SYSTEM IN ORDER TO REPAY A SURCHARGE REVENUE BOND IN THE ORIGINAL PRINCIPAL AMOUNT OF \$1,714,327.

WHEREAS, on August 19, 2013, the City Council adopted Resolution No. 2013-12 (the "Surcharge Resolution") to impose a surcharge on all customers of the City's drinking water system (the "System") in order to secure repayment of a bond originally issued on April 26, 2007 in the original principal amount of \$1,714,327 (the "Borrower Bond") to South Dakota Conservancy District (the "District") pursuant to the terms of the Loan Agreement of the same date (the "Loan Agreement");

WHEREAS, the Surcharge Resolution established a monthly surcharge of \$1.12 per one thousand gallons of water used to all classes of customers;

WHEREAS, the Surcharge Resolution provides for annual review and adjustment of the surcharge amount to a level which, assuming a 10% delinquency rate, will produce income at the times and in amounts sufficient to pay when due the principal of and interest on the Borrower Bond and all other amounts owing under the Loan Agreement; and

WHEREAS, the City has determined that the surcharge should be adjusted to better reflect the amount of surcharge needed to produce income at the times and in amounts sufficient to pay when due the principal of and interest on the Borrower Bond and all other amounts owing under the Loan Agreement.

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

1. Surcharge Rate. The surcharge established under the Surcharge Resolution is hereby adjusted to a volume fee of sixty-five cents (\$0.65) per one thousand gallons of water used per month upon all classifications of customers, effective beginning with the January 1, 2022 bills.

2. Limited Effect. Except as expressly modified by this amendment, the Surcharge Resolution will continue in full force and effect in accordance with its terms.

Adopted this 7th day of September 2021.

Derick Wenck
Mayor

ATTEST:

Mary McClung
Finance Officer

Publication: September 16, 2021

Effective Date: October 6, 2021

Business Item 13. Resolution 2021-29 Surcharge Resolution to Revise the Surcharge Imposed on Users of the City's Drinking Water System (DW-03) in Order to Repay a Surcharge Revenue Bond in the Original Principal Amount of \$2,090,000. Motion Maxwell, seconded Anez to approve Resolution 2021-29 to revise the surcharge imposed on users of the City's Drinking Water System (SW-03) in order to repair a surcharge revenue bond in the original principal amount of \$2,090,000, surcharge rate being \$.88 per one thousand gallons of water used per month. Upon roll call, all members present in favor.

RESOLUTION NO. 2021-29

RESOLUTION OF THE CITY OF HARRISBURG, SOUTH DAKOTA TO REVISE THE SURCHARGE IMPOSED ON USERS OF THE CITY'S DRINKING WATER SYSTEM IN ORDER TO REPAY A SURCHARGE REVENUE BOND IN THE ORIGINAL PRINCIPAL AMOUNT OF \$2,090,000.

WHEREAS, on August 19, 2013, the City Council adopted Resolution No. 2013-13 (the “Surcharge Resolution”) to impose a surcharge on all customers of the City’s drinking water system (the “System”) in order to secure repayment of a bond originally issued on December 1, 2008 in the original principal amount of \$2,090,000 (the “Borrower Bond”) to South Dakota Conservancy District (the “District”) pursuant to the terms of the Loan Agreement of the same date (the “Loan Agreement”);

WHEREAS, the Surcharge Resolution established a monthly surcharge of \$1.52 per one thousand gallons of water used to all classes of customers;

WHEREAS, the Surcharge Resolution provides for annual review and adjustment of the surcharge amount to a level which, assuming a 10% delinquency rate, will produce income at the times and in amounts sufficient to pay when due the principal of and interest on the Borrower Bond and all other amounts owing under the Loan Agreement; and

WHEREAS, the City has determined that the surcharge should be adjusted to better reflect the amount of surcharge needed to produce income at the times and in amounts sufficient to pay when due the principal of and interest on the Borrower Bond and all other amounts owing under the Loan Agreement.

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

1. Surcharge Rate. The surcharge established under the Surcharge Resolution is hereby adjusted to a volume fee of eighty-eight cents (\$.88) per one thousand gallons of water used per month upon all classifications of customers, effective beginning with the January 1, 2022 bills.

2. Limited Effect. Except as expressly modified by this amendment, the Surcharge Resolution will continue in full force and effect in accordance with its terms.

Adopted this 7th day of September, 2021.

Derick Wenck
Mayor

ATTEST:

Mary McClung
Finance Officer

Publication: September 16, 2021

Effective Date: October 6, 2021

Business Item 14. Resolution 2021-30 Surcharge Resolution to Revise the Surcharge Imposed on Users of the City’s Drinking Water System (DW-04) in Order to Repay a Surcharge Revenue Bond in the Original Principal Amount of \$1,400,000. Motion Anez, seconded Maxwell to approve Resolution 2021-30 revising the surcharge imposed on users of the city’s drinking water system (SW-04) in order to repay a surcharge revenue bond in the original principal amount of \$1,400,000, surcharge rate being a base rate of \$4.56 per month. Upon roll call, all members present in favor.

RESOLUTION NO. 2021-30

RESOLUTION OF THE CITY OF HARRISBURG, SOUTH DAKOTA TO REVISE THE SURCHARGE IMPOSED ON USERS OF THE CITY’S DRINKING WATER SYSTEM IN ORDER TO REPAY A SURCHARGE REVENUE BOND IN THE ORIGINAL PRINCIPAL AMOUNT OF \$1,400,000.

WHEREAS, on June 19, 2019, the City Council adopted Resolution No. 2019-12 (the “Surcharge Resolution”) to impose a surcharge on all customers of the City’s drinking water system (the “System”) in order to secure repayment of a bond originally issued on July 25, 2019 in the original principal amount of

\$1,400,000 (the “Borrower Bond”) to Branch Banking and Trust Company (the “Bank”) pursuant to the terms of the Bond Purchase Agreement of the same date (the “Agreement”);

WHEREAS, the Surcharge Resolution established a monthly \$4.84 base fee surcharge upon all classifications of customers;

WHEREAS, the Surcharge Resolution provides for annual review and adjustment of the surcharge amount to a level which, assuming a 10% delinquency rate, will produce income at the times and in amounts sufficient to pay when due the principal of and interest on the Borrower Bond and all other amounts owing under the Agreement; and

WHEREAS, the City has determined that the surcharge should be adjusted to better reflect the amount of surcharge needed to produce income at the times and in amounts sufficient to pay when due the principal of and interest on the Borrower Bond and all other amounts owing under the Loan Agreement.

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

1. Surcharge Rate. The surcharge established under the Surcharge Resolution is hereby adjusted to four dollars and fifty-six cents (\$4.56) base fee upon all classifications of customers, effective beginning with the January 1, 2022 bills.

2. Limited Effect. Except as expressly modified by this amendment, the Surcharge Resolution will continue in full force and effect in accordance with its terms.

Adopted this 7th day of September 2021.

Derick Wenck
Mayor

ATTEST:

Mary McClung
Finance Officer

Publication: September 16, 2021

Effective Date: October 6, 2021

Business Item 15. Resolution 2021-31 Surcharge Resolution to Revise the Surcharge Imposed on Users of the City’s Sanitary Sewer System (CW-03) in Order to Repay a Surcharge Revenue Bond in the Original Principal Amount of \$5,911,800. Motion Maxwell, seconded Anez to approve Resolution 2021-31 Revising the surcharge imposed on users of the City’s Wastewater System, (CW-03) in order to repay a surcharge revenue bond in the original principal amount of \$5,911,800, surcharge rate being a base rate of \$4.51 per month. Upon roll call, all members present in favor.

RESOLUTION NO. 2021-31

RESOLUTION OF THE CITY OF HARRISBURG, SOUTH DAKOTA TO REVISE THE SURCHARGE IMPOSED ON USERS OF THE CITY’S SANITARY SEWER SYSTEM IN ORDER TO REPAY A SURCHARGE REVENUE BOND IN THE ORIGINAL PRINCIPAL AMOUNT OF \$5,911,800.

WHEREAS, on October 21, 2013, the City Council adopted Resolution No. 2013-27 (the “Surcharge Resolution”) to impose a surcharge on all customers of the City’s wastewater system (the “System”) in order to secure repayment of a bond originally issued on November 18, 2009 in the original principal amount of \$5,911,800 (the “Borrower Bond”) to the South Dakota Conservancy District (the “District”) under the terms of the Loan Agreement between the City and the District as of the same date, as amended on December 10, 2013 (the “Loan Agreement”); and

WHEREAS, the Surcharge Resolution established a monthly surcharge of \$1.78 per one thousand gallons of water per month; and

WHEREAS, the Surcharge Resolution provides for annual review and adjustment of the surcharge amount to a level which, assuming a 10% delinquency rate, will produce income at the times and in amounts sufficient to pay when due the principal of and interest on the Borrower Bond and all other amounts owing under the Loan Agreement; and

WHEREAS, the City has determined that the surcharge should be adjusted to a flat base rate per customer rather than a volume-based charge;

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

1. Surcharge Rate. The surcharge established under the Surcharge Resolution is hereby adjusted to a base fee of four dollars and fifty-one cents (\$4.51) per month upon all classifications of customers, effective beginning with the January 1, 2022 bills.

2. Limited Effect. Except as expressly modified by this amendment, the Surcharge Resolution will continue in full force and effect in accordance with its terms.

Dated at Harrisburg, South Dakota, this 7th day of September, 2021.

APPROVED:

Derick Wenck
Mayor

ATTEST:

Mary McClung
Finance Officer

Publication: September 16, 2021

Effective: October 6, 2021

Business Item 16. Resolution 2021-32 Surcharge Resolution to Revise the Surcharge Imposed on Users of the City's Clean Water System (CW-04) in Order to Repay a Surcharge Revenue Bond in the Original Principal Amount of \$1,435,340. Motion Anez, seconded Maxwell to approve Resolution 2021-32 Revising the surcharge imposed on users of the city's wastewater system (CW-04) in order to repay a surcharge revenue bond in the original principal amount of \$1,435,340, surcharge rate being a base rate of \$1.54 per month. Upon roll call, all members present in favor.

RESOLUTION NO. 2021-32

RESOLUTION OF THE CITY OF HARRISBURG, SOUTH DAKOTA TO REVISE THE SURCHARGE IMPOSED ON USERS OF THE CITY'S SANITARY SEWER SYSTEM IN ORDER TO REPAY A SURCHARGE REVENUE BOND IN THE ORIGINAL PRINCIPAL AMOUNT OF \$1,435,340.

WHEREAS, on October 21, 2013, the City Council adopted Resolution No. 2013-28 (the "Surcharge Resolution") to impose a surcharge on all customers of the City's wastewater system (the "System") in order to secure repayment of a bond originally issued on January 11, 2012 in the original principal amount of \$1,435,340 (the "Borrower Bond") to the South Dakota Conservancy District (the "District") under the terms of the Loan Agreement between the City and the District as of the same date, as amended on December 10, 2013 (the "Loan Agreement"); and

WHEREAS, the Surcharge Resolution established a monthly surcharge of \$1.28 per one thousand gallons of water per month; and

WHEREAS, the Surcharge Resolution provides for annual review and adjustment of the surcharge amount to a level which, assuming a 10% delinquency rate, will produce income at the times and in amounts sufficient to pay when due the principal of and interest on the Borrower Bond and all other amounts owing under the Loan Agreement; and

WHEREAS, the City has determined that the surcharge should be adjusted to a flat base rate per customer rather than a volume-based charge;

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

1. Surcharge Rate. The surcharge established under the Surcharge Resolution is hereby adjusted to a base fee of one dollar and fifty-four cents (\$1.54) per month upon all classifications of customers, effective beginning with the January 1, 2022 bills.

2. Limited Effect. Except as expressly modified by this amendment, the Surcharge Resolution will continue in full force and effect in accordance with its terms.

Dated at Harrisburg, South Dakota, this 7th day of September, 2021.

APPROVED:

Derick Wenck
Mayor

ATTEST:

Mary McClung
Finance Officer

Publication: September 16, 2021
Effective: October 6, 2021

Business Item 17. Resolution 2021-33 Surcharge Resolution to Revise the Surcharge Imposed on Users of the City's Clean Water System (CW-06) in Order to Repay a Surcharge Revenue Bond in the Original Principal Amount of \$2,520,000. Motion Kindt, seconded Maxwell to approve Resolution 2021-33 revising the surcharge imposed on users of the city's wastewater system (CW-06) in order to repay a surcharge revenue bond in the original principal amount of \$2,520,000, surcharge rate being a base rate of \$6.18 per month. Upon roll call, all members present in favor.

RESOLUTION NO. 2021-33

RESOLUTION OF THE CITY OF HARRISBURG, SOUTH DAKOTA TO REVISE THE SURCHARGE IMPOSED ON USERS OF THE CITY'S SANITARY SEWER SYSTEM IN ORDER TO REPAY A SURCHARGE REVENUE BOND IN THE ORIGINAL PRINCIPAL AMOUNT OF \$2,520,000

WHEREAS, on July 2, 2018, the City Council adopted Resolution No. 2018-14 (the "Surcharge Resolution") to impose a surcharge on all customers of the City's sanitary sewer system (the "System") in order to secure repayment of a bond originally issued on October 18, 2018 in the original principal amount of \$2,520,000 (the "Borrower Bond") to Branch Banking and Trust Company (the "Bank") under the terms of the Bond Purchase Agreement between the City and the Bank as of the same date (the "Agreement"); and

WHEREAS, the Surcharge Resolution established a monthly surcharge of \$12.00 base fee upon all classifications of customers; and

WHEREAS, the Surcharge Resolution provides for annual review and adjustment of the surcharge amount to a level which, assuming a 10% delinquency rate, will produce income at the times and in amounts sufficient to pay when due the principal of and interest on the Borrower Bond and all other amounts owing under the Agreement; and

WHEREAS, the City has determined that the surcharge should be adjusted;

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

1. Surcharge Rate. The surcharge established under the Surcharge Resolution is hereby adjusted to six dollars and eighteen cents (\$6.18) per month upon all classifications of customers, effective beginning with the January 1, 2022 bills.
2. Limited Effect. Except as expressly modified by this amendment, the Surcharge Resolution will continue in full force and effect in accordance with its terms.

Dated at Harrisburg, South Dakota, this 7th day of September, 2021.

APPROVED:

Derick Wenck
Mayor

ATTEST:

Mary McClung
Finance Officer

Publication: September 16, 2021

Effective: October 6, 2021

Business Item 18. Resolution 2021-34 Surcharge Resolution to Revise the Surcharge Imposed on Users of the City's Clean Water System (CW-07) in Order to Repay a Surcharge Revenue Bond in the Original Principal Amount of \$24,487,000. Motion Tank, seconded Maxwell to approve Resolution 2021-34 revising the surcharge imposed on users of the city's wastewater system (CW-07) in order to repay a surcharge revenue bond in the original principal amount of \$24,487,000, surcharge rate being a base rate of \$39.41 per month. Upon roll call, all members present in favor.

RESOLUTION NO. 2021-34

RESOLUTION OF THE CITY OF HARRISBURG, SOUTH DAKOTA TO REVISE THE SURCHARGE IMPOSED ON USERS OF THE CITY'S SANITARY SEWER SYSTEM IN ORDER TO REPAY A SURCHARGE REVENUE BOND IN THE ORIGINAL PRINCIPAL AMOUNT OF \$24,487,000

WHEREAS, on May 6, 2019, the City Council adopted Resolution No. 2019-09 (the "Surcharge Resolution") to impose a surcharge on all customers of the City's sanitary sewer system (the "System") in order to secure repayment of a bond originally issued on July 22, 2019 in the original principal amount of \$24,487,000 (the "Borrower Bond") to the South Dakota Conservancy District (the "District") under the terms of the Loan Agreement between the City and the District as of the same date, as amended on July 22, 2019 (the "Loan Agreement"); and

WHEREAS, the Surcharge Resolution established a monthly surcharge of \$10.93 per one thousand gallons of water per month; and

WHEREAS, the Surcharge Resolution provides for annual review and adjustment of the surcharge amount to a level which, assuming a 10% delinquency rate, will produce income at the times and in amounts sufficient to pay when due the principal of and interest on the Borrower Bond and all other amounts owing under the Loan Agreement; and

WHEREAS, the City has determined that the surcharge should be adjusted;

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

1. Surcharge Rate. The surcharge established under the Surcharge Resolution is hereby adjusted to thirty-nine dollars and forty-one cents (\$39.41) base fee upon all classifications of customers, effective beginning with the January 1, 2022 bills.

2. Limited Effect. Except as expressly modified by this amendment, the Surcharge Resolution will continue in full force and effect in accordance with its terms.

Dated at Harrisburg, South Dakota, this 7th day of September, 2021.

APPROVED:

Derick Wenck
Mayor

ATTEST:

Mary McClung
Finance Officer

Publication: September 16, 2021
Effective: October 6, 2021

Business Item 19. Resolution 2021-35 A Resolution for Annual Storm Water Assessment. Motion Maxwell, seconded Tank to approve a Resolution for Annual Storm Water Assessment and direct the finance officer to certify the assessment to the county. Upon roll call, all members present in favor.

RESOLUTION 2021-35

A RESOLUTION FOR ANNUAL STORM WATER ASSESSMENTS FEE.

Pursuant to Title 8, Chapter 8.03, Storm Water Drainage, of the Municipal Ordinances of the City of Harrisburg, Lincoln County, South Dakota the City of Harrisburg may levy annually storm water assessments for the purpose of operation, maintenance and capital expenses of the storm sewer and drainage system.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HARRISBURG, LINCOLN COUNTY, SOUTH DAKOTA to direct the city finance officer to add such assessment to the general assessment together with the regular assessment and certify the assessment to the county auditor to be collected as municipal taxes for general purposes. The amount of assessment that shall be levied upon all lots is equal to the runoff weighting factor, multiplied by the parcel area (in square feet), and multiplied by the unit charge rate of \$0.00158, one hundred fifty-eight one hundred thousandths.

Dated this 7th day of December, 2021.

Derick Wenck
Mayor

ATTEST:

Mary McClung
Finance Officer

Publish: September 16, 2021
Effective: October 6, 2021

Business Item 20. Resolution 2021-36 A Resolution for Annual Special Maintenance Assessment. Motion Anez, seconded Maxwell to approve Resolution 2021-36 a Resolution for Annual Special Maintenance Assessment and direct the finance officer to certify the assessment to the county. Upon roll call, all members present in favor.

RESOLUTION NO. 2021-36

A RESOLUTION AUTHORIZING A SPECIAL MAINTENANCE FEE FOR MAINTENANCE AND REPAIR OF STREETS AND SIDEWALKS AND STREET LIGHTING SYSTEM COSTS, PURSUANT TO SDCL 9-43-138.

WHEREAS, the City Council has determined a need to assess an annual special maintenance fee pursuant to SDCL 9-43-138 for the purpose of maintaining and repairing streets, sidewalks and street lighting system costs; and

WHEREAS, the special maintenance fee is based upon the lots fronting and abutting the streets that are maintained by the City of Harrisburg;

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

SECTION 1: To direct the Harrisburg Finance Officer to add such special street maintenance fee to the general assessment together with the regular assessment and certify the assessment to the Lincoln County Auditor to be collected as municipal taxes for general purposes. The amount of special maintenance fee that shall be levied upon all lots fronting and abutting the streets that are maintained by the City shall be at a rate of \$2.30 per front foot.

Dated this 7th day of September, 2021

Derick Wenck
Mayor

ATTEST:

Mary McClung
Finance Officer

Publish: September 16, 2021
Effective: October 6, 2021

Business Item 21. Resolution 2021-37 A Resolution to Become a South Dakota Retirement System Special Pay Program Unit. Motion Maxwell, seconded Anez to approve Resolution 2021-37 a Resolution to become a SouthDakota Retirement System Special Pay Program Unit. Upon roll call, all members present in favor.

RESOLUTION NO. 2021-37

RESOLUTION TO BECOME A SOUTH DAKOTA RETIREMENT SYSTEM SPECIAL PAY PROGRAM UNIT

BE IT RESOLVED AS FOLLOWS:

WHEREAS, SDCL Chapter 3-13A offers qualified employees of Special Pay Program employer units of the South Dakota Retirement System (SDRS) the opportunity of receiving a tax advantage and a Social Security advantage when terminating active service in SDRS by having special termination payments transmitted to the Special Pay Program;

WHEREAS, SDCL Chapter 3-13A offers such qualified members' employers a corresponding Social Security advantage;

WHEREAS, the City of Harrisburg agrees to transmit all special pay data by electronic media

and understands that reporting final compensation data electronically is a condition which must be met in order to participate;

WHEREAS, the City of Harrisburg understands and agrees to the following points:

- Only special, lump-sum payments made to an employee at the time of the employee's termination are transmitted to the Special Pay Program;
- Only terminated employees who qualify pursuant to SDCL 3-13-A-2(8) to have such special pay transmitted to the Special Pay Program will participate;
- If the employee qualifies, transmission of such special pay to the Special Pay Program is mandatory; and
- City of Harrisburg shall pay to SDRS an initial, onetime fee per participant, based on an established flat fee.

NOW, THEREFORE, BE IT RESOLVED, that the City of Harrisburg shall become a Special Pay Program unit of the South Dakota Retirement System with an effective date of November 1, 2021 under the terms and conditions of SDCL Chapter 3-13A.

BE IT FURTHER RESOLVED that a copy of this RESOLUTION shall be transmitted to SDRS as soon as possible after adoption.

Derick Wenck
(Signature of the Unit's Chief Administrative Officer
Officer of the Unit's Governing Body)

09/07/2021
(Date) or an

Business Item 22. 1st Reading Ordinance 2021-13 Supplement to the 2021 Appropriations Budget. Motion Maxwell, seconded Tank to set the 2nd reading of Ordinance 2021-13 Supplement to the 2021 Appropriations Budget. Upon roll call, all members present in favor.

Business Item 23. 1st Reading Ordinance 2021-12 2022 Appropriations Budget. No changes since review of budget presented on August 17, 2021. Motion Tank, seconded Maxwell to set the 2nd reading of Ordinance 2021-12 Appropriations Budget. Upon roll call, all members present in favor.

Business Item 24. Approval New Hire Director of Communications and Community Programming. Motion Anez, seconded Maxwell to approve Lawrence Klipfel as the regular full time Director of Communications and Community Programming at a rate of \$28.50 an hour plus \$35.00 per month for cell phone allowance effective September 20, 2021. Upon roll call, all members present in favor.

Business Item 25. Employee Wage Adjustment for Wastewater Class II Certification. Motion Maxwell, seconded Anez to set Chris Kullander's wage at \$23.67 beginning with pay period beginning on September 20, 2021 for his Wastewater Treatment Class II Certification. Upon roll call, all members present in favor.

Business Item 26. Set Special Meeting Date to Meet with Harrisburg Economic Development Corporation Board. Motion Maxwell, seconded Tank to set a special meeting date on September 22, 2021 at 6:00 pm to meet with the Harrisburg Economic Development Corporation. Upon roll call, all members present in favor.

Business Item 4. Motion Maxwell, seconded Anez to reconsider the motion. Motion Tank, seconded Maxwell to amend the amount approved to include the price of cleaning for a total amount of \$21,344.25 with the stipulation that they could televise first prior to cleaning and clean only if necessary and if

cleaning is due to developers negligence to contact them.

Discussed changing the 1st meeting in October to Monday, October 4, 2021.

August 2021 Building Reports and Finance Report were distributed for council review.

With no further business, a motion was made by Tank, seconded Maxwell to adjourn the city council meeting at 7:45pm. Upon roll call, all members present in favor.

The next regular meeting of the Harrisburg City Council will be held at 6:00 pm on Tuesday, September 21, 2021. A special meeting of the Harrisburg City Council will be held at 6:00 pm on September 22, 2021 at the Liberty School Board Room.

Submitted by Jill Johnke, Deputy Finance Officer

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