

Harrisburg City Council  
Meeting Minutes

The regular meeting of the City Council was called to order on October 4, 2021 at 6:00 pm, with Alderman Maxwell presiding. Council members present were Tom Anez, and Chris Kindt. Absent, Mayor Wenck and Danny Tank. Also present from the city were Jill Johnke, Toby Huizenga, Larry Klipfel, Joe Stonesifer, Andrew Pietrus, Jason Thurston, and Mary McClung. A list of all others in attendance is on file at the city office.

Pledge of Allegiance was recited.

Michael Martin thanked public works for mowing the empty lot behind him and had questions and concerns about the parking ban of recreational vehicles on streets in the months October through April.

Consent Agenda: Motion Anez, seconded Kindt to approve the consent agenda.

1. Approved of October 4, 2021 Agenda
2. Approved September 21, 2021 City Council Meeting Minutes
3. Approved September 22, 2021 HEDC Community Dialogue Minutes
4. Approved October 4, 2021 Claims
5. Approved of Appointment of Matt Leedom to the Harrisburg Disability Awareness Commission – Term 2024
6. Approved Temporary Street Closure Request – Block Party – Closure of Brannon Drive, October 9, 2021 from 3pm – 9pm
7. Approved Quote to Purchase 24 trees for Central Park Disc Golf Course in the amount of \$18,600 from Falls Nursery
8. Approved and Authorized Signature Water Reclamation Facility Change Order #26 – Change Cores in Doors - \$377
9. Approved and Authorized Signature Water Reclamation Facility Change Order #27 – Extending Project Completion Dates – No Cost Change to GMP
10. Approved Surplus of (9) Lagoon Aerators (No longer of Value – Salvage)

Upon roll call, all members present in favor.

Ace Hardware – Supplies/Materials (Streets, Water, Sewer, Parks, Govt Bldgs, West Nile Prevention, Library, Weed Control) \$1,358.08; Aflac – Aflac Withholdings \$479.60; American Engineering Testing – Professional Services/Fees (Sewer) \$242.50; Berard, Heather – Customer Deposit Refund (Water) \$138.78; Berklich, Nicole – Customer Deposit Refund (Water) \$87.00; Bradwisch, Todd – Customer Deposit Refund and Balance Refund (Water) \$181.19; Brink, Stephanie – Customer Deposit Refund (Water) \$57.90; Cardmember Services – Travel/Conference, Supplies/Materials, Computer Software, Books (Planner, Govt Bldg, Sewer, Director Comm and Community Programs, Fin Admin, Library, Streets, Water, Sewer, Parks, Engineering) \$5,243.60; Copper Cottage P & H – Repairs/Maintenance (Govt Bldgs) \$182.88; Cell Phone Allowances – Utilities \$490.00; Core & Main – Supplies/Materials (Water) \$720.00; Creekside Place, LLC – Principal \$318.80; Dakota Fluid Power, Inc. – Repairs/Maintenance (Streets, Water, Sewer, Parks) \$40.99; Daktronics, Inc. – Repairs/Maintenance Parks) \$3,405.00; Dept of Treasury – Withholding Taxes \$9,821.62; Dept of Treasury – Withholding Taxes - \$1,806.75; Finstad, Don – Professional Services/Fees (Fin Admin) \$15,615.00; Frantzen, Ryan – Customer Deposit Refund (Water) \$117.97; Fujimoto, Taro – Customer Deposit Refund (Replacement check) \$111.28; Gast, Eric – Customer Deposit (Water) \$22.12; Geotek Engineering – Professional Services/Fees (Sewer) \$2,205.00; Health Equity – H.S.A. Withholdings \$454.62; Health Equity – Group Insurance (Dir. Of Comm & Community Programs) \$500.00; Henry Carlson Construction LLC – Improvements other than Bldgs (Sewer) \$665,996.00; Hinker, Braeden – Customer Deposit Refund (Water) \$101.95; Huizenga, Toby – Travel/Conference (Water, Sewer) \$102.00; Johnson, Preston – Customer Deposit Refund (Water) \$110.63; K & M Tire – Supplies/Materials (Parks) \$60.00; Leman,

Cory & Rachel – Customer Deposit Refund (Water) \$68.39; Linc. Co. Register of Deeds – Professional Services/ Fees (Planner, Engineering) \$93.00; Linc. Co. Rural Water System – Water for Resale (Water) \$6,006.00; Maher, Mick & Rebecca – Customer Deposit Refund (Water) \$.98; Marco, Inc. – Rentals (Fin Admin) \$7,021.53; Marco, Inc. – Rentals, Supplies/Materials (Fin Admin, Water, Sewer, Planner) \$533.14; May, Jessica & Nate – Customer Deposit Refund (Water) \$49.89; Meyer – Travel/Conference (Water, Sewer) \$130.00; MLC Construction, Inc. – Buildings (Govt Bldgs) \$44,784.00; Noah, Adam & Brittany – Customer Deposit Refund (Water) \$90.07; Payment Service Network – Professional Services/Fees (Planner, Water, Sewer) \$2,055.43; Payroll September 2021 \$75,890.04; Pheasantland Industries – Supplies/Materials (Sewer, Mayor, Govt Bldgs) \$801.36; Sams Club – Supplies/Materials (Sewer, Mayor, Govt Bldgs) \$274.12; Savage, Brandi – Travel/Conference (Planner) \$115.92; Schoeneman Bros Co. – Supplies/Materials (Snow Removal) \$71.00; Sioux International – Repairs/Maintenance (Streets, Water, Sewer, Parks) \$5,767.00; Sioux Valley News – Publishing, Supplies/Materials (Ord., Res, proceedings, Fin Admin) \$2,091.95; Soukup Construction, Inc. – Improve Other Than Bldgs (Parks) \$117,806.17; SD Dept of Labor – Unemployment Ins (Fin Admin) \$435.01; SD Retirement System – SDRS Withholdings \$7,744.16; SD Supplemental Retirement Plan – SDRS Withholdings \$225.00; Staples Advantage – Supplies/Materials (Sewer, Fin Admin) \$56.60; Toshiba Financial Services – Rentals (Fin Admin) \$258.43; Total Fire Protection Inc. – Professional Services/Fees (Govt Bldgs) \$260.00; Traffic Solutions Inc. – Repairs/Maintenance (Streets) \$675.00; Tuttle, Brooke – Customer Deposit Refund (Water) \$27.89; USA Blue Book – Supplies/Materials (Sewer) \$471.99; VanZee, Deb – Customer Deposit Refund (Water) \$65.00; White Glove Cleaning Services – Utilities (Govt Bldgs) \$81.25; Xcel – Energy (Park Lighting, Govt Bldgs, Public Safety, Water, Sewer, Street Lighting) \$12,832.17

Business Item 1. Resolution 2021-40 Resolution in Support of the American Rescue Plan Funding Request Made by the Lewis & Clark Regional Water System for its Expansion to 60 Million Gallons Per Day. Motion Kindt, seconded Anez to approve Resolution 2021-40 Resolution in Support of the American Rescue Plan Funding Request Made by the Lewis & Clark Regional Water System for its Expansion to 60 Million Gallons Per Day. Upon roll call vote, all members present in favor.

Resolution 2021-40  
CITY OF HARRISBURG, SOUTH DAKOTA RESOLUTION

RESOLUTION IN SUPPORT OF THE AMERICAN RESCUE PLAN FUNDING REQUEST MADE BY THE LEWIS & CLARK REGIONAL WATER SYSTEM FOR ITS EXPANSION TO 60 MILLION GALLONS PER DAY

WHEREAS, the City of Harrisburg is a member of the Lewis & Clark Regional Water System (L&C); and

WHEREAS, the L&C “base system” is being constructed to deliver 44.19 million gallons a day (MGD), but the long-time plan has been to expand the System to 60 MGD; and

WHEREAS, in mid-2020 discussions began on moving forward with the expansion, which culminated in all 20 members indicating an interest in late 2020 to participate in the 15.81 MGD expansion; and

WHEREAS, the Expansion Commitment Agreement was sent to the members on August 4, 2021 with a January 3, 2022 deadline for approval and payment of a non-refundable deposit; and

WHEREAS, City of Harrisburg continues to set a new water use records and in several cases members exceeded their base system reserved capacities from L&C; and

WHEREAS, the high water use as a result of the drought, stronger than expected growth, as well as the members’ expectations that the base system would have been completed about 15 years ago, made it clear the importance of completing the expansion as soon as feasible; and

WHEREAS, completing the expansion as soon as feasible, which will take several years or more, is to meant to address “current needs” upon completion and not “future growth”; and

WHEREAS, the entire cost of the expansion is the responsibility of the members; and

WHEREAS, it was thought a couple years ago the members would have more time to save money to help cover their respective share of the expansion cost; and

WHEREAS, the realization that the expansion is needed sooner than originally thought means the members will need to pay for their share of the expansion sooner than originally thought; and

WHEREAS, the cost of the expansion will directly impact through rates the households and businesses who purchase water from L&C’s members; and

WHEREAS, those households and businesses in many cases are still feeling the adverse financial impacts of the pandemic; and

WHEREAS, to help reduce the cost of the expansion and thereby keep the rate increases from being overly onerous, L&C is requesting American Rescue Plan (ARP) funding from South Dakota, Iowa and Minnesota for the portions of the expansion infrastructure in the borders of those states that can be awarded by the end of 2024 and completed by the end of 2026; and

WHEREAS, even if all three states approve L&C’s ARP funding requests the vast majority of the expansion cost, which including inflation indexing is estimated to top \$117 million, will still need to be covered by the members; and

WHEREAS, the water rate increases to the households and businesses served by L&C’s members will not need to be as high if the ARP funding requests are approved; and

WHEREAS, the members of L&C are prepared to cover the non-state cost shares should the ARP funding requests be approved.

NOW, THEREFORE BE IT RESOLVED, the City of Harrisburg strongly supports the Lewis & Clark Regional Water System’s American Rescue Plan funding request to the State of South Dakota for \$44.7 million and respectfully urges approval be granted.

Date Adopted: October 4, 2021

By: Kevin Maxwell  
President, Harrisburg City Council

By: Mary McClung  
Finance Officer

Business Item 2. Resolution 2021-41 Providing for the Creation of Tax Incremental District Number Five, City of Harrisburg, South Dakota – Recommendation of Planning and Zoning to Approve. Toby Morris with Colliers Securities was present to answer any questions. The purpose of the Tax Increment District is to provide improved stormwater management facilities and improve Prospect Street from Cliff Avenue to just east of the BNSF railroad crossing, eligible costs \$2,500,000. Motion Anez, seconded Kindt to approve Resolution 2021-41 Providing for the Creation of Tax Incremental District Number Five, City of Harrisburg, South Dakota. Upon roll call, all members present in favor.

#### RESOLUTION 2021 - 41

#### RESOLUTION PROVIDING FOR THE ADOPTION OF TAX INCREMENT PLAN FOR TAX INCREMENTAL DISTRICT NUMBER FIVE, CITY OF HARRISBURG, SOUTH DAKOTA

WHEREAS, the Planning and Zoning Commission for the City of Harrisburg, South Dakota has recommended and adopted the creation of the District Boundaries for Tax Incremental District Number Five, City of Harrisburg, South Dakota, on September 28<sup>th</sup>, 2021; and

WHEREAS, the Planning and Zoning Commission, City of Harrisburg has recommended the adoption of the Tax Increment Plan for Tax Incremental District Number Five, City of Harrisburg, South Dakota, and has recommended its adoption on September 28<sup>th</sup>, 2021; and

WHEREAS, the City of Harrisburg, South Dakota (the “City), has the powers, pursuant to SDCL 11-9-2, to create Tax Incremental District Number Five, City of Harrisburg, South Dakota, and to create the boundaries and establish the base value.

NOW THEREFORE, IT IS HEREBY RESOLVED:

1. Authority and Declaration of Necessity. The City of Harrisburg, South Dakota, declares the necessity for the adoption of Tax Increment Plan for Tax Incremental District Number Five, (hereinafter sometimes referred to as the “District”), pursuant to SDCL Chapter 11-9. Further, the City finds that the improvement of the area within the District is likely to enhance significantly the value of substantially all of the other real property in the District and is necessary for economic development within the City of Harrisburg.
2. Findings. The City makes the following findings with regard to economic development:
  - a. More than 50% of the property in the District by area will stimulate and develop the general economic welfare and prosperity of the City;
  - b. Improvements to the District will significantly and substantially enhance the value of all property within the District;
3. Findings of Maximum Percentage of Tax Incremental Districts. The aggregate assessed value of the taxable property in the District, plus all other tax incremental districts does not exceed ten (10%) percent of the total assessed valuation of the City.
4. Findings of Annual Appropriation TID. Tax Increment District Five will be designated as an Annual Appropriations TIF to ensure that it does NOT count against constitutional debt.
5. Creation of District. There is hereby created, pursuant to SDCL Chapter 11-9, Tax Incremental District Number Five, City of Harrisburg South Dakota. The District is hereby created on the day this Resolution becomes effective which shall be twenty (20) days after publication of this Resolution.
6. Designation of District Boundaries. The real property to be located within the Tax Increment District is described as follows:
  - Unplatted portion in the North half of the Northwest Quarter of Section 36, Township 100 North, Range 50 West of the 5th P.M., City of Harrisburg, Lincoln County, South Dakota (Lying west of Railroad)
  - Tract 24 of Industrial Park Addition in the Northwest Quarter of Section 36, Township 100 North, Range 50 West of the 5th P.M., City of Harrisburg, Lincoln County, South Dakota
  - Tract 25 of Industrial Park Addition in the Northwest Quarter of Section 36, Township 100 North, Range 50 West of the 5th P.M., City of Harrisburg, Lincoln County, South Dakota
  - Tract 26 of Industrial Park Addition in the Northwest Quarter of Section 36, Township 100 North, Range 50 West of the 5th P.M., City of Harrisburg, Lincoln County, South Dakota
  - Tract 27 of Industrial Park Addition in the Northwest Quarter of Section 36, Township 100 North, Range 50 West of the 5th P.M., City of Harrisburg, Lincoln County, South Dakota
  - Lot 1, Block 1 of Dynamic Development 2nd Addition to the City of Harrisburg, South Dakota
  - Lot 2, Block 1 of Dynamic Development 2nd Addition to the City of Harrisburg, South Dakota
  - Lot 3, Block 1 of Dynamic Development 2nd Addition to the City of Harrisburg, South Dakota
  - Lot 1, Block 6 of Dynamic Development 2nd Addition to the City of Harrisburg, South Dakota
  - Lot 2, Block 6 of Dynamic Development 2nd Addition to the City of Harrisburg, South Dakota
  - Lot 4, Block 6 of Dynamic Development 2nd Addition to the City of Harrisburg, South Dakota
  - Lot 5, Block 6 of Dynamic Development 2nd Addition to the City of Harrisburg, South Dakota
  - Lot 6, Block 6 of Dynamic Development 2nd Addition to the City of Harrisburg, South Dakota

- Lot 20A, Block 7 of Dynamic Development 2nd Addition to the City of Harrisburg, South Dakota
7. Creation of Tax Incremental Fund. There is hereby created, pursuant to SDCL 11-9-31, a Tax Incremental District Number Five Fund, which shall be a segregated asset account. All tax increments collected pursuant to Tax Incremental District Number Five shall be deposited into the Tax Incremental District Number Five Fund. All funds in the Tax Incremental District Number Five Fund shall be used solely for those purposes expressly stated and reasonably inferred in SDCL Chapter 11-9.
  8. Adoption of Project Plan. The City does hereby adopt the Tax Increment Plan for Tax Increment District Number Five.
  9. Developer's Agreement. The City does hereby authorize the Mayor and Finance Officer to sign the Developer's Agreement for Tax Increment District Number Five.

Adopted this 4th day of October, 2021

Kevin Maxwell  
President, Harrisburg City Council

ATTEST:

Mary McClung  
Finance Officer

Publication: October 14, 2021  
Effective Date: November 3, 2021

Business Item 3. Consider Municipal Advisor Agreement with Colliers Securities – TIF #5. Motion Kindt, seconded Anez to approve the Municipal Advisor Agreement with Colliers Securities for TIF #5 in the amount of \$25,000. Upon roll call, all members present in favor.

Business Item 4. Consider Amendment for Design Services from IDG for Cliff and Willow Intersection Project. Motion Kindt, seconded Anez to approve Amendment for Design Services from IDG for Cliff and Willow Intersection Project in the amount of \$37,435. Upon roll call, all members present in favor.

Business Item 5. Consider Proposal from Banner Engineers for Construction Administration for Mills Creek Phase 1 Trunk Sewer. Motion Anez, seconded Kindt to approve the proposal from Banner Engineers for Construction Administration for Mills Creek Phase 1 Trunk Sewer in the amount of \$16,410. Upon roll call, all members present in favor.

Business Item 6. Consider Amendment to Contract/Agreement for a Cultural Resources Survey of the Proposed Harrisburg Wastewater System Expansion Project, Harrisburg, South Dakota, including Additional Mills Creek Survey Area. Motion Kindt, seconded Anez to approve the amendment to the contract/agreement for the cultural resources survey of the proposed Harrisburg Wastewater Expansion Project, Harrisburg, South Dakota, to include the additional Mills Creek Survey area in the amount of \$630.00 for a total contract of \$3,202. Upon roll call, all members present in favor.

Business Item 7. Consider Design Proposal from Stockwell Engineers for Hugh Robinson Park Upgrades. Motion Kindt, seconded Anez to approve Stockwell Engineers design proposal for Hugh Robinson Upgrades in the amount of \$21,992. Upon roll call, all members present in favor.

Business Item 8. Executive Session – Pursuant to SDCL 1-25-2 (1) Personnel and 1-25-2 (4) Contract Negotiations. Motion Anez, seconded Maxwell to enter executive session at 6:31pm.

Danny Tank joined the meeting at 6:36pm.

Maxwell left the meeting at 7:05pm.

Tank declared out of executive session at 7:42pm

Business Item 9. Approve New Hire. Motion Kindt, seconded Anez to approve hiring Brandi Savage as the Deputy Building Official at a rate of \$22.00/hour with a \$35.00 monthly phone allowance starting October 18, 2021. Upon roll call, all members present in favor.

With no further business, a motion was made by Kindt, seconded Anez to adjourn the city council meeting at 7:43pm. 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, October 19, 2021.

Submitted by Jill Johnke, Deputy Finance Officer

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