

City Council Meeting – Regular Meeting October 18, 2022

Mayor Arden Jones called the meeting to order at 7:00pm with the following city council members present: Chris Woslager, Cindy Matson, Mark Brennehan, Travis Kuehl, Jake Jass, and Mark O’Hara. Also present were City Administrator Teresa Sidel, City Finance Officer Karen Wilber, Chamber & Economic Development Director Amy Farr, City Attorney Tom Frieberg, City Engineers Michael Redenbaugh & Justin Heim, and 4 people from the public.

BUSINESS ITEMS:

- **Approve Agenda:** A motion was made by Matson, second by Kuehl to approve the agenda as set - all voted yes, motion carried.
- **Approval of the Minutes:** A motion was made by Kuehl, second by Jass to approve the regular meeting minutes from October 4, 2022 – all voted yes, motion carried.
- **Approval of the Bills:** A motion was made by Jass, second by Woslager to approve the bills submitted for payment – all voted yes, motion carried.

PUBLIC COMMENTS: Adam Jorgensen of Unity Road was present to address the Council. Unity Road, which is a medical cannabis dispensary in town, has been open for 90 days now. Unity Road appreciates everything the City has done in allowing this new industry to come to Hartford. He extended an invitation to all to come to their facility anytime to learn more about that they do and how they run their business.

ORDINANCES, RESOLUTIONS, APPLICATIONS, AGREEMENTS AND HEARINGS:

- **7:05 Public Hearing for Resolution 2022-12 Annexation Petition for Parcel #97250:** Picket Fence Investments, LLC has submitted an annexation petition for parcel #97250. This parcel is located just to the south of the Maple Pass development and once annexed, will become part of this development. The Planning & Zoning Board reviewed the petition at their Oct 11th meeting and is recommending approval to the Council. A motion was made by Jass, second by Brennehan to approve Resolution 2022-12 to annex parcel #97250 into city limits – all voted yes, motion carried.
- **7:10 Public Hearing and 1st Reading of Ordinance 736 to Rezone Parcel #97250 and Parcel #96749:** Picket Fence Investments, LLC has applied to rezone parcel #97250 and #96749. Both parcels are part of the Maple Pass development and have a current county zoning of agricultural. The applicant is requesting to change the zoning to community commercial for future development. The Planning & Zoning Board reviewed the rezone application at their Oct 11th meeting and is recommending approval to the Council. A motion was made by Kuehl, second by Matson to approve 1st reading of Ordinance 736 to rezone parcel #97250 and #96749 from county zoning of agricultural to municipal zoning of community commercial – all voted yes, motion carried.
- **Resolution 2022-13 Special Assessment for 2022:** Last year there was a semi-tractor & trailer parking in the rear yard of 210 Jeanne Cir. This is a violation of the City’s zoning regulations. Since the violation was not corrected in the allotted time, fines were issued. To date, these fines remain unpaid. Resolution 2022-13 would assess these fines against the property. A motion was made by Matson, second by Jass to approve Resolution 2022-13 as presented – Kuehl abstained with all others voting yes, motion carried.
- **Resolution 2022-14 Transfer Funds to the Mundt/6th St Project Fund:** Earlier this year the Council discussed financing options for the Mundt/6th St project. It was decided to secure a bank loan from Reliabank for 650k along with using the 265k that had previously been earmarked for this project. The remaining balance of approx. 700k would be taken out of reserves of the general, water & sewer funds. Resolution 2022-14 allows for the transfer of these reserves. A motion was made by Kuehl, second by Matson to approve Resolution 2022-14 to transfer funds from the General, Water, & Sewer Fund reserves to the Mundt/6th St Project Fund as presented – all voted yes, motion carried.
- **Resolution 2022-15 Transfer Funds to the Industrial Sewer Project Fund:** Earlier this year the City started the industrial sewer project, which extends sewer services north along Western Ave. It was decided to add a water main to the project at an estimated cost of 180k to be taken out of reserves of the water fund. This water main would be placed along 12th St from Oaks Ave to Knapp’s Landing. Resolution 2022-15 allows for the transfer for these reserves. A motion was made by Kuehl, second by O’Hara to approve Resolution 2022-15 to transfer funds from the Water Fund reserves to the Industrial Sewer Project Fund as presented – all voted yes, motion carried.
- **Resolution 2022-16 Transfer Funds to the WWTF Project Fund:** Earlier this year the Council discussed how the City’s ARPA funding would be used. It was decided to put it towards the new wastewater treatment facility project as the State would then provide matching funds. Resolution 2022-16 allows for the transfer of these ARPA funds. A motion was made by Kuehl, second by Jass to approve Resolution 2022-16 to transfer funds from the ARPA Fund reserves to the Wastewater Treatment Facility Project Fund – all voted yes, motion carried.

- **Review/Approve Billboard Lease Agreement between Golden West Telecommunications Cooperative, Inc and City of Hartford:** A lease agreement for the west face of billboard #4 was presented. Golden West Telecommunications Cooperative, Inc has agreed to the City's standard lease agreement – 3yr term starting Nov 1, 2022, rental rate of \$150/mo, and a security deposit of \$1,000. A motion was made by Jass, second by Woslager to approve the billboard lease agreement between Golden West Telecommunications Cooperative, Inc and the City of Hartford as presented – all voted yes, motion carried.

REPORTS:

- **Fire Department Report:** HAFR 1st Assistant Rescue Connor Vortherms was present to provide the fire department's report. There was a total of 33 calls in Sept with 16 in city limits. An update was given on the various trainings held during the month of Oct. Fire prevention week was promoted with events at West Central Schools. The department has also been visiting area daycares.
- **Chamber & Economic Development Report:** CEDD Amy Farr provided her report. Chamber activities: the Chamber has gained 16 new members year to date and 6 have dropped; Ambassador Committee continues contacting current & new members; Events Committee is working on the Trunk or Treat, Burger Battle & Annual Banquet; Marketing Committee continues with social media efforts with new member and member profile posts; ChiroSport and Stomping Grounds will host the next Membership Mixer Oct 25th at Stomping Grounds; there will be a ribbon cutting for Payroll Vault on Oct 19th and the City's dog park on Oct 21st; the Trunk or Treat Event will be Oct 29th from 3-5pm at the high school and middle school parking lots. HADF activities: continues to meet with developers, investors, & landowners; continues efforts on RFI's from interested parties; working with SMGA on HADF's strategic planning sessions to be held on Oct 19th; assisted with the unveiling of the City's new logo on Sept 29th; had a very successful tour and roundtable with Senator Thune on Oct 12th; attended the Oct 18th County Commission meeting, along with a group of other individuals, to talk to the County about the WWTF regionalization.
- **Engineer Report:** Michael Redenbaugh reported the following:
 - Reviewed a plat in the Western Meadows Addition.
 - The 6th St/Mundt Ave project is progressing. All watermain installation/connections are now done along 6th St. Storm sewer, subdrain & aggregate base in Jeanne Cir has been installed. Starting this week, roadway shaping, gravel, & subdrain will be installed on 6th St. Once complete, concrete flatwork will start on both Jeanne Cir & 6th St. Pay app #4 from Zacharias Construction, Inc. for work completed to date on the 6th/Mundt St project was presented. A motion was made by Matson, second by O'Hara to approve payment of pay app #4 in the amount of \$354,676.25 to Zacharias Construction, Inc. – all voted yes, motion carried.
 - The interior and exterior coating of the water tower is now complete. As a result of the interior being in better shape than anticipated, there was less sandblasting needed prior to recoating. As a result of this, Change Order #2 for a deduct of \$10,000 was presented to the Council. A motion was made by Matson, second by Woslager to approve Change Order #2 for a deduct of \$10,000 to the contract – all voted yes, motion carried. Since it is getting later into the year, it has been decided to hold off on painting the City's new logo on the tower until spring. Change Order #3 for an addition of \$13,895 was presented to the Council. This is to add the City's new logo vs just block lettering of Hartford to the tower. A motion was made by Jass, second by Kuehl to approve Change Order #3 for an addition of \$13,895 to the contract – all voted yes, motion carried. Sidel is obtaining a quote from the contractor to put the school's logo on the other side of the tower. Once this information is provided, this idea will be presented to the school. Pay app #1 from Maguire Iron, Inc. for work completed to date on the water tower project was presented. A motion was made by Kuehl, second by Matson to approve payment of pay app #1 in the amount of \$213,275 to Maguire Iron, Inc. – all voted yes, motion carried.
 - Design work on the WRRF is ongoing. The City received two proposals for the project's Construction Manager at Risk. A review committee, consisting of staff, engineers, and council members, has conducted interviews with both firms and is recommending the hiring of Rice Lake Construction Group for the CMAR. A motion was made by Matson, second by Brenneman to approve Rice Lake Construction Group for the CMAR on the WRRF project – all voted yes, motion carried.
 - The bike trail project between Main Ave & Feyder Ave is on hold until the necessary easements are obtained from adjacent property owners.
 - Engineers, along with the assistance of SECOG, have provided the revised storm shelter design and costs to FEMA. Engineers are anticipating a 3-to-4 month review process by FEMA.
 - Preliminary designs on the Hwy 38 water main extension project have been provided for staff review. Engineers plan to bid the project early next year.

- Preliminary design work has begun on the Western Ave Interchange Approach project. Construction of this project is slated to start in 2025 in conjunction with the DOT Interchange project.
- **Public Works Report:** No Public Works report was provided.
- **Finance Officer Report:** City Finance Officer Wilber provided her report. Items included cash balances, sales tax revenue and DHI committee fund balance as of Sept 30th, a recap of bills submitted for payment, and the Oct/Nov calendar of events. In preparation for payroll, Wilber provided the Council's timesheet for the period of May 1st thru Oct 31st for their review. Information has been provided by First Interstate Bank on an indexed money market product available to municipalities. Currently the City has the bulk of its funds in a savings account, which currently earns .25% interest. This new money market product has a much better interest rate set currently at 1.64%. This rate is reviewed monthly so there will be some fluctuations. The only other requirements are that a daily balance of at least 50k be maintained and no more than 6 electronic transactions be done each month. Because of this transaction stipulation, it is the recommendation of staff that the savings account be maintained to conduct normal business activities but to also open a money market account to take advantage of the higher interest rate. Staff recommends transferring \$1,000,000 from savings to this new account. It was also noted that funds placed in this money market are fluid, and we would have access to them whenever needed. A motion was made by Jass, second by O'Hara to open an indexed money market account and to transfer \$1,000,000 from savings to this new money market account – all voted yes, motion carried.
- **City Administrator Report:** City Administrator Sidel provided her report. The bike trail project remains on hold for now. Easements are needed from a neighboring property owner. Both the 6th/Mundt St and water tower painting projects are going well. Preliminary designs have been submitted to staff for review on the Hwy 38 water main extension project. The dog park will be ready to go for the ribbon cutting on Oct 21st. The park will be open to the public at that time. The traffic study of Western Ave is now complete, and a copy has been provided. Stockwell Engineers is still addressing remaining punch list items with the contractors on both the Western Ave Sewer project and 9th St project. City Attorney Frieberg is working on the Gage House lease agreements for the Seniors & Library. Sidel continues to get quotes on changing out our logo on various things. The Sheriff's Dept will be conducting "Alice Training" with staff on Oct 27th. Sidel continues to submit information to FEMA as needed on the storm damage from the May 12th Derecho.

OLD BUSINESS:

- **Update on Wastewater Regionalization:** Mayor Jones provided an update on the Minnehaha County Commission meeting he attended with other staff & council members. Jesse Fonkert, with SMGA, did a presentation for the Commission on wastewater regionalization. The communities of Crooks, Colton, Humboldt, and Lyon/Rosenbauer are interested in regionalization and are seeking financial support from the County. Commissioners understand the need but did not commit any financial support at this time.

NEW BUSINESS:

- **Removal of Outstanding Checks from City Books:** On July 31, 2021 a check in the amount of \$25.18 was written to refund a portion of a customer's water deposit. This check remains uncashed. Our procedure is to address any uncashed checks over a year old by trying to contact the payee. If we are unable to make contact, any checks under \$50 are written off. Per state law, if over \$50, those funds need to be remitted to the Unclaimed Property Division of the State of SD. We were able to reach the payee, but he did not want to provide a new address to reissue the check. At this time, the check needs to be written off. A motion was made by Kuehl, second by Jass to write off check #3065 to remove from the books – all voted yes, motion carried.

EXECUTIVE SESSION: A motion was made O'Hara, second by Jass to enter executive session pursuant to SDCL 1-25-2(3) for legal at 7:46pm – all voted yes, motion carried.

Minutes recorded by Finance Officer Karen Wilber.

I, the undersigned, Karen Wilber, Finance Officer in and for the City of Hartford, South Dakota, do hereby certify that the above and foregoing is a true and correct copy of the minutes which is on file at the Municipal Finance Office.

Karen Wilber, Finance Officer

EXECUTIVE SESSION: A motion was made by Kuehl, second by O'Hara to exit executive session at 8:05pm – all voted yes, motion carried.

ADJOURNMENT: A motion was made by O'Hara, second by Woslager to adjourn at 8:06pm – all voted yes, motion carried.

Minutes recorded by City Administrator Teresa Sidel.

I, the undersigned, Teresa Sidel, City Administrator in and for the City of Hartford, South Dakota, do hereby certify that the above and foregoing is a true and correct copy of the minutes which is on file at the Municipal Finance Office.

Teresa Sidel, City Administrator