

City Council Meeting – Regular Meeting December 21, 2021

Mayor Jeremy Menning called the meeting to order at 7:00pm at Hartford City Hall with the following city council members present: Mark Monahan, Arden Jones, Mark Brenneman, LaVonne Randall, Travis Kuehl and Mark O'Hara. Also present were City Administrator Teresa Sidel, City Finance Officer Karen Wilber, Public Works Superintendent Craig Wagner, Chamber & Economic Development Director Amy Farr, City Attorney Tom Frieberg, City Engineers David Doxtad & Michael Redenbaugh and 26 people from the public.

BUSINESS ITEMS:

- **Approve Agenda:** A motion was made by Kuehl, second by Jones to approve the agenda as set - all voted yes, motion carried.
- **Approval of the Minutes:** A motion was made by Brenneman, second by Monahan to approve the meeting minutes from December 7, 2021 – all voted yes, motion carried.
- **Approval of the Bills:** A motion was made by Jones, second by Monahan to approve the bills submitted for payment – all voted yes, motion carried.

PUBLIC COMMENTS: None

ORDINANCES, RESOLUTIONS, APPLICATIONS, AGREEMENTS AND HEARINGS:

- **2nd Reading of Ordinance #721 – 2021 Supplemental Appropriation:** This ordinance will provide additional appropriations to the City's 2021 budget. A motion was made by Monahan, second by Randall to approve 2nd reading of Ordinance #721 2021 Supplemental Appropriation which will add \$78,500 to the general fund 101 budget; \$5,000 the capital improvement fund 505 budget; \$7,000 to the capital improvement fund 506 budget; \$70,000 to the capital improvement fund 508 budget; \$4,000 to the water fund 602 budget; and \$83,000 to the sewer fund 604 budget – all voted yes, motion carried.
- **2nd Reading of Ordinance #722 – Redistricting Voting Wards:** The new census has been done and Hartford has had a growth rate of 34%. With this growth, the population distribution for the City's three voting wards has shifted. In an effort to make the wards more evenly distributed, the council reviewed 4 different ward map scenarios and decided on Alternative #4. Ordinance #722 would adopt Alternative #4 for the new voting wards. A motion was made by Jones, second by Monahan to approve 2nd reading for Ordinance #722 Redistricting Voting Wards – all voted yes, motion carried.
- **Resolution 2021-15 Appoint Representative to SMGA Advisory Board:** As a participant in the Sioux Metro Growth Alliance (SMGA), the City may appoint a representative to their advisory board. The City's Economic Development Director, Amy Farr, currently holds this appointment. Resolution 2021-15 will appoint Farr to this advisory board for 2022. A motion was made by Randall, second by O'Hara to approve Resolution 2021-15 – all voted yes, motion carried.
- **Resolution 2021-16 Transfer Funds from General Fund to the Vandemark Ave Fund:** The Vandemark Ave project wrapped up in late 2019 except for some ongoing sidewalk and seeding issues. These issues have now been addressed and all invoices have been paid. Since invoices were paid out of the Vandemark Ave fund in 2021, this fund is now in a deficit of \$5,915.48. Resolution 2021-16 would transfer funds from the general fund to the Vandemark Ave fund to cover this deficit. A motion was made by Kuehl, second by Monahan to approve Resolution 2021-16 – Randall abstained with all others voting yes, motion carried.
- **Review/Approve Cannabis Applications for Dakota Cannabliss:**
 - Carlos Vargas and Thomas Thompson were present on behalf of Dakota Cannabliss. Previously, Dakota Cannabliss had submitted one application applying for three different establishment types - dispensary, cultivation & manufacturing. They have since submitted a separate application for each establishment and completed all required information on the applications. The proposed location is a parcel in the light industrial area of Western Meadows Addn. State law requires dispensaries to be in a separate facility from any cultivation and manufacturing. The City's zoning regulations require dispensaries be located in a zoning district of community commercial or central business. To address both of these requirements, the applicant has started the process of platting the parcel into two lots – the dispensary would be located on one and the cultivation/manufacturing facility on the other. Once platted, they would apply for a zoning change from light industrial to community commercial for the dispensary location.
 - The following people were present to address their concerns with the cannabis industry coming to Hartford: Gary & Cindy Meyer, Ken & Kathryn Bruns, and Dave & Victoria Obenauer. BJ Olson spoke in support of the cannabis industry and the work the Council has done in establishing regulations for the City of Hartford.
 - A motion was made by Brenneman, second by Kuehl to approve the cannabis cultivation application submitted by Dakota Cannabliss – Jones voted no with all others voting yes, motion carried. A motion was made by Kuehl, second by Brenneman to approve the cannabis manufacturing application submitted by Dakota Cannabliss – all voted yes, motion carried. A motion was made by Kuehl, second by Brenneman to table the cannabis dispensary application until the Planning & Zoning Board makes their recommendation to the Council on the rezone – all voted yes, motion carried.

- **Review/Approve Cannabis Application for Grow Farms:**
 - Andy Kenyon with Grow Farms was present. He is applying for a cultivation license to operate at an existing building zoned light industrial located at the northeast corner of Kingsbury Ave & South St. This building has residential lots directly to the east of it. To address the concerns at the last meeting, Kenyon submitted an odor control plan to the City. Kenyon indicated that he would employ 32 fulltime workers when his business is operating at full capacity, which he estimates will take 5 years. Some feel there would be an issue with having adequate parking for all employees as there is limited on and off-street parking at this location. Kenyon indicated he would address the parking if/when it becomes an issue.
 - The following people were present to address their concerns with the proposed location: Tim & Crystal Waltner, John Sundermann, and Carla Larson.
 - A motion was made by Kuehl, second by Randall to approve the cannabis cultivation application submitted by Grow Farms. Further discussion was held on the suitability of this location with its limited parking and close proximity to a residential property. Stacey Sieverding indicated that Kenyon has followed all of the City's regulations and that there is not a lot of options for light industrial land in Hartford at this time. The vote was taken with Kuehl & Randall voting yes and all others voting no – motion failed.

REPORTS:

- **Fire Department Report:** Fire Chief Matt Horn was present to give a department update to the council. There was a total of 33 calls in Nov with 10 in city limits. Horn also provided an update on the various trainings held during the month of Nov & Dec. The following board members have been elected for 2022: Chief Matt Horn, 1st Asst Fire Adam Erickson, 1st Asst Rescue Connor Vortherms, 2nd Asst Fire Camille Crouch, 2nd Asst Rescue Brice Zwak, Treasurer James Buss, Secretary John Hanssen, Members at Large Todd Lowe & Jason Roberts.
- **Chamber & Economic Development Report:** Amy Farr was present to provide her report. Chamber activities: preparing for annual banquet to be held Mar 4, 2022; working on spring newsletter along with several direct mailers; updates to social media as needed; presented at WC School careers class. HADF activities: continued efforts on RFI's; met with members of Envision2025 advisory team and continues to set up meetings with prospective investors; continues to meet with landowners & developers; planning tours events for board of directors; continues to work with ISG on community development plan.
- **Engineer Report:** David Doxtad reported the following:
 - Development work is ongoing: Western Meadows, Knapp's Landing & Turtle Creek Highlands.
 - Survey work continues on the 6th St/Mundt Ave project and work on the construction documents is underway. Sidewalk widths & locations are inconsistent in this area. Discussion was held on whether to include sidewalks in the scope of this project. Street widths was also discussed. Engineers will prepare some drawing for further review at a future meeting.
 - The facility plan for the WWTF has been submitted to DANR.
 - Engineers continue to work on community development plan with an open house planned for the beginning of February.
 - Ag-lime surface of the new fields at the Sports Complex is being monitored by survey crew to ensure proper depth.
 - A design proposal was presented for the storm shelter project at Swenson Sports Complex. Two items in the proposal were based on time & materials. The Council asked that amounts "not to exceed" be included for these two items. A revised proposal will be presented for review at the next meeting.
- **Public Works Report:** Public Works Superintendent Wagner's report was provided.
 - Streets – Information for next year's slurry seal project has been submitted to the City of Sioux Falls. Snow removal on Dec 11th went well. The street sweeper has been serviced and cleaned for the year. Staff has been doing oil changes and service work to equipment.
 - Water – Meter change outs continue. There are approx. 340 left to do. All reporting is done for the year. We received the DANR water inspection report, and everything looked good.
 - Sewer – All reporting is done until late Jan. We are discharging at this time and should be done this week.
 - Parks – Both the swing set at Lyon Park and playground border at Turtle Creek Park have been installed.
 - Sports Complex – The fencing contractor should be done this week. An additional 250 ton of ag lime will be needed for this project. A motion was Kuehl, second by Jones to approve the purchase of 250 ton of ag-lime for the ballfield project – all voted yes, motion carried.
 - Training – Alan Brown has passed his Class 1 Wastewater Collection exam.
- **Finance Officer Report:** City Finance Officer Wilber's report was provided. Items included cash balances, sales tax revenue and committee fund balances as of Nov 30th, a recap of bills submitted for payment, the Dec/Jan calendar of events, and the 2022 meeting schedule for both Council and Planning & Zoning. With the Bike & Rec Trial Committee dissolving, they have generously donated over 4k of their remaining funds to the City. A huge thank you to them!
- **City Administrator Report:** City Administrator Sidel's report was provided. The City awaits the agreement from the State on the bike trail grant. The City continues to work with FEMA on the Mickelson Rd LOMR project.

Final approval is expected in 90 days. Once received, this project will be complete. The City has 6 billboards along the north side of I90. All 6 billboards facing east, heading towards the Hartford exit, are rented while only 4 of the west facing are. Back in 2018 the City decided to reduce the rate of the west face from \$200 to \$150 since they are harder to rent. An interested party is inquiring about renting one of the west face billboards for \$50 per month. It is the consensus of the council that we do not negotiate the lease rates. Currently the billboards are empty. Sidel will check into putting contact information on the billboards in an attempt to market them a bit better. In Jan the P&Z Board will be updating the City's building codes. A reminder was given about the City's Holiday party on Jan 14th. Letters have been sent to the newly appointed Park Board members, with an organizational meeting to be held after the first of the year. Information was provided on the SDML Rib Dinner & Day at the Legislature event to be held Feb 2nd.

NEW BUSINESS:

- **Accept Donated Air Fill Station from the City of Sioux Falls:** The City of Sioux Falls has an air fill station that they have declared surplus. The Hartford Area Fire & Rescue (HAFR) has expressed interest in this equipment, which can be used to refill air tanks. The City of Sioux Falls has agreed to donate it to the City of Hartford, who can then declare surplus and donate to HAFR. A motion was made by Monahan, second by O'Hara to accept the donated air fill station from the City of Sioux Falls – all voted yes, motion carried.
- **Transfer of Air Fill Station to Hartford Area Fire & Rescue:** A motion was made by Kuehl, second by Monahan to surplus the air fill station and donate it to HAFR – all voted yes, motion carried.
- **Review/Approve Bids for Western Ave Sewer Project:** The City held a bid opening on Dec 14th for the Western Ave Sewer Project. Seven bids were received ranging from just over 1.35M to 2.12M. The engineer's cost estimate that was provided over a year ago was 1.35M. A motion was made by Jones, second by Monahan to award the bid for the Western Ave Sewer project to Siteworks, Inc in the amount of \$1,353,951.35 – all voted yes, motion carried.
- **Review/Approve 2022 Minnehaha County Sheriff Dept Police Service Agreement:** A motion was made by Monahan, second by Randall, to approve the 2022 agreement with the Minnehaha County Sheriff Dept for police services – all voted yes, motion carried.
- **Review/Approve 2022 SF Area Humane Society Animal Control Contract:** A motion was made by Kuehl, second by Monahan, to approve the 2022 contract with the SF Area Humane Society for animal control services – all voted yes, motion carried.
- **Review/Approve 2022 Fire Protection Service Agreement:** A motion was made by Monahan, second by Randall, to approve the agreement with Hartford Area Fire & Rescue for 2022 Fire Protection Services – all voted yes, motion carried.
- **Review/Approve 2022 Attorney Contract:** A motion was made by Monahan, second by O'Hara to approve the agreement with Frieberg, Nelson & Ask LLP for 2022 attorney services – all voted yes, motion carried.
- **Review/Approve 2022 Engineering Contract:** A motion was made by Randall, second by O'Hara to approve the agreement with ISG for 2022 engineering services – all voted yes, motion carried.
- **Review/Approve 2021 Audit Engagement Letter:** A motion was made by Jones, second by Monahan, to approve the engagement letter to allow Quam, Berglin & Post, PC to perform the City's 2021 audit – all voted yes, motion carried.
- **Review/Approve 2021 Annual Report Engagement Letter:** A motion was made by Monahan, second by Randall, to approve the engagement letter to allow Quam, Berglin & Post, PC to prepare the City's 2021 annual report – all voted yes, motion carried.
- **Mayoral Appointments to Planning & Zoning Board:** Planning & Zoning board members Mark Anderson, Steve Nolte & Brad Miles terms are expiring at the end of the year. All having expressed interest in serving another term, Mayor Menning appointed Mark Anderson, Steve Nolte & Brad Miles to a 2year term on the Planning & Zoning Board. A motion was made by Kuehl, second by Jones to approve the Mayor's appointment of Mark Anderson, Steve Nolte & Brad Miles to the Planning & Zoning Board for a 2year term – all voted yes, motion carried.

EXECUTIVE SESSION: A motion was made Jones, second by O'Hara to enter executive session pursuant to SDCL 1-25-2 (1) for personnel, SDCL 1-25-2 (3) for legal and SDCL9-34-19 for economic development at 9:40pm – 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 Jones to exit executive session at 10:32pm – all voted yes, motion carried.

A motion was made by Kuehl, second by O’Hara to offer candidate #1 the position of full-time building inspector/code enforcer at a negotiated rate – Monahan and Randall voted no, with all others voting yes, motion carried.

ADJOURNMENT: A motion was made by Kuehl, second by O’Hara to adjourn at 10:40pm – 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