

City Council Proceedings
2017-2018 Council

The Plankinton City Council met in regular session on Monday, May 7, 2018. Mayor John J Staller called the meeting to order at 6:30 p.m. The Pledge of Allegiance was recited. Roll call recorded the following members present: Pam Vissia, Brad Kehn, Susan Steele, Jim Hinckley, Terrance Schuldt & Tom Madrigal. City employees present were Vern Hill, Darin Cranny & Jeanette Smith. Visitors present were Klayton Miller, Bobby Miller, Lyle Sutherland & Amy Boyd.

Vissia moved to approve the amended agenda, with a second from Kehn. All voted aye, motion carried.

Klayton Miller led a discussion regarding the sewer line to his home & asked the city to provide an adequate line. Lyle Sutherland & Amy Boyd informed the council that they have purchased a lot in the same area as Klayton's home & discussed what the options are for infrastructure. After discussion, it was the consensus of the council to meet with Vern & Darin on this matter to discuss options & have these visitors come back to a meeting.

At 7:00 p.m. the Malt Beverage Public Hearing was to be held. With no one in attendance to approve or disapprove, the Mayor announced that the hearing will be held later in the meeting. Madrigal moved to approve the minutes of the April 2, 2018 meeting, with a second from Schuldt. All voted aye, motion carried.

Kehn moved to approve payment of the following:

Mike's Construction-drainage digging-382.50; City of Plankinton-meter deposit applied-106.41; Roadside Service-mat/supp-444.59; Plankinton Service Club-2018 membership-35.00; SD Dept of Labor-1st qtr unemployment-174.44; City of Plankinton-meter deposit applied-250.00; Davison Cty Sheriff's Office-serve civil papers-52.24; Jerauld Cty Sheriff's Office-serve civil papers-50.00; Kathleen Fitzgerald-reimb balance of meter dep-143.59; Wealth Mgmt TFM-qtrly water & sewer loan payment-19,009.17; Heartland Cons Power Dist-March power purchase-43,356.16; Verizon Wireless-March cell billing-113.02; Stuart C. Irby Co-LED street lights-4960.00; SD Dept of Trans-supp/mat-686.27; RESCO-supp/mat-389.64; L.L. Jirsa Architect-pool bath house design-1500.00; East River Electric-March wheeling fees-4587.80; DGR & Assoc-electrical eng-5851.00; Dept of Energy-March power purchase-15,027.21; CAN Western Surety Co-Finance Officer's bonds-1125.00; Central Electric-March wheeling & street lighting-2410.06; Plankinton Builder's Supply-rep/maint-561.24; Aurora Cty Treasurer-2018 1st half law enforcement-30,793.00; A&B Business-copier contract-97.20; April Bi-Weekly payroll-10,712.27; SDRS-pay 7 & 8 retirement-2250.16; Bi-weekly & annual payroll-941 taxes-4688.48; SDRS-pay 7 & 8 voluntary supp-4563.12; M&C annual pay-4005.66; DENR-testing-10.00; AFLAC-emp vol ins-32.20; Avera Health Plan-emp group ins-4604.70; Delta Dental of SD-emp dental ins-274.80; SD Dept of Health-water test-15.00; SD Dept of Revenue-license plates-71.20; The Guardian Life Ins Co-emp ins-534.21; VISA-supp/mat-197.98; SD Dept of Revenue-March sales tax-4827.58; A-OX-supp/mat-317.95; AmeriPride-rug contract-28.61; Aurora-Brule Rural Water-April water purchase & debt ret-6629.50; Barnes & Noble-library books-859.85; Bender's Sewer & Drain-sewer rep/maint-2968.00; Central electric-rep/maint-415.00; DEMCO-library books-

157.91; Golden West Comm-April billings-377.57; Locators & Supplies-supp/mat-165.02; M&L Repair-supp/mat/repair-578.40; Mike's Const-garbage billing-60.00; Overweg Auto-rep/maint-349.90; Ramkota Hotel-elec travel/conf-90.99; Reader's Den-library books-195.12; Roadside 66 Service-supp/mat-396.57; Ron's Market-supp/mat-107.44; Solomon Corp-elec project-5434.67; SD Gov't F.O. Ass'n-travel/conf-75.00; SD HR Ass'n-F.O. travel/conf-50.00; South Dakota Mail-legal publishing-1493.61; Steve's Welding-supp/mat-39.98; Vern Hill-travel/conf-333.20; Ramkota-Pierre-elec travel/conf-114.99; Santel Comm-April billing-31.19; Plankinton Builder's Supply-April supp/mat-952.93; WAPA-April power purchase-13,413.62; Central Electric-April wheeling fees-1925.65; East River Electric-April wheeling fees-4740.05; SPN & Assoc-water meter project-5600.00; Heartland Consumers Power District-April power purchase-45,019.66. Madrigal seconded the motion. All voted aye, motion carried.

A building permit from Plankinton Builder's Supply had not been returned, no action required.

Discussion was held regarding an IT provider. A service agreement from Tech Solutions was viewed, along with a 2018 capital IT items quotation from Technical Project Systems, LLC. Brad moved to enter a service agreement with Tech Solutions, with a second from Madrigal. All voted aye, with Vissia abstaining.

Vissia moved to approved the following:

RESOLUTION NO. 5-7-18-1

A RESOLUTION REVISING THE ELECTRIC UTILITY RATE SCHEDULE IN THE CITY OF PLANKINTON, SOUTH DAKOTA.

BE IT RESOLVED by the City Council of the City of Plankinton, South Dakota that the following rates, charges and regulations for municipal electrical service are hereby adopted.

Table of Contents

1. Residential Service
2. Small Commercial Service
3. Large Commercial Service
4. Outside City Limits Service

Residential Service

APPLICABLE TO: Residential customers for all domestic uses in single-family dwellings and individually metered apartments within the service territory of the City of Plankinton Electric Utility, including use of motors of not more than 5 horsepower individual capacity.

SERVICE AVAILABLE: Single-phase, 60 hertz, 120/240 volt, 400 amp max., 3-wire, single meter.

MONTHLY RATE:

Customer Charge (No kWh)	\$20.00 per meter
Plus	
Energy Charge	
First 600 kWh @	12.0¢
Next 600 kWh @	9.0¢
Over 1200 kWh @	7.4¢

PROMPT PAYMENT PROVISIONS:

All charges are net. If the bill is not paid or mailed and postmarked by the 20th day of the month following the billing date, a late payment charge of 10 percent of the balance due will apply. If the 20th of the month falls on a Saturday, Sunday, or Holiday, the due date will be the next working day.

SALES TAX:

Sales tax to be added to all electric bills so as to be in compliance with the provisions of the laws of the state of South Dakota.

ENERGY COST ADJUSTMENT:

The City of Plankinton Electric Utility may, at its discretion, implement an energy cost adjustment to compensate the City of Plankinton Electric Utility for variations in the cost of purchased power. At the time the adjustment is implemented, the calculation used to arrive at the adjustment will be developed, and the adjustment will be applied to all kWh billed by the City of Plankinton Electric Utility.

Small Commercial Service

APPLICABLE TO: Any commercial, industrial, city, or farm load within the service territory of the City of Plankinton Electric Utility, for all purposes, where the average monthly energy usage in a consecutive twelve-month period does not exceed 5,000 kWh.

SERVICE AVAILABLE: Single-phase, 60 hertz, 120/240 volt, 400 amp max., 3-wire, single meter; or three-phase, 60 hertz, 240/120V, 208Y/120V, or 480Y/277V, 4-wire, single meter.

MONTHLY RATE:

Customer Charge (No kWh)	\$27.50 per meter
Plus	
Energy Charge	
First 500 kWh @	13.0¢
Next 3500 kWh @	9.4¢
Over 4000 kWh @	8.9¢

PROMPT PAYMENT PROVISIONS:

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Large Commercial Service

APPLICABLE TO: Any commercial, industrial, city, or farm load within the City of Plankinton Electric Utility service territory, for all purposes, where the average monthly energy usage in a consecutive twelve-month period exceeds 5,000 kWh.

SERVICE AVAILABLE:

60 hertz, three-phase, 240/120 V, 208 Y/120 V, or 480 Y/277 V, 4-wire, or standard primary voltage available at point of delivery. Special voltages may be provided at the discretion of the utility. Utility furnishes only one transformer bank and/or one meter.

MONTHLY RATE:

Customer Charge	\$50.00 per meter
Plus	
Energy Charge	
All kWh	4.0¢
Plus	
Demand Charge	
All kW @	\$14.00

METERED DEMAND: The metered demand for any month shall be the maximum kilowatt demand established by the consumer for any thirty-minute interval during the month as indicated or recorded by a demand meter.

POWER FACTOR ADJUSTMENT: If the customer's average monthly power factor falls below 90%, leading or lagging, the utility may adjust the metered demand by the ratio of 90% to the measured average monthly power factor in percent. Example:

Metered Demand = 739 kW

Ave. Mo. Power Factor = 73.0%

Ratio = $90/73 = 1.2329$

Adjusted Demand = $(739) * (1.2329) = 911$ kW

ADJUSTED DEMAND: The adjusted demand consists of the metered demand adjusted for power factor, if applicable.

BILLING DEMAND: The billing demand shall be the maximum measured thirty-minute integrated demand in the billing month, but not less than fifty percent (50%) of the maximum thirty-minute demand established in any of the twelve preceding months.

PRIMARY METERING: The utility will furnish and install primary metering when service is taken by the consumer and metered at primary voltage. The consumer owns and installs all necessary primary and transformers beyond point of service. A 2% discount will apply to demand and energy charges to allow for losses and investment return.

If service is taken at primary voltage (that is, customer owns primary and transformers) and metered at secondary voltage, a 1% discount will apply to demand and energy charges to allow for investment return.

MEASUREMENT OF DEMAND AND ENERGY: When there are two or more demand and energy metering installations on the customer's premises, the metered quantities shall be determined by adding together the separate meter readings before application of the rate, unless special provisions are agreed to by the utility. At the customer's request, and at the customer's expense, and at the Utility's discretion, the Utility may install special metering that will allow coincident demand billing.

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Outside City Limits Service

APPLICABLE TO: Residential, commercial, or farm customers within the service territory of the City of Plankinton Electric Utility and outside of the City limits of Plankinton, including use of motors of not more than 5 horsepower individual capacity, where the average monthly energy usage in any twelve-month period is less than 5000 kWh.

SERVICE AVAILABLE: Single-phase, 60 hertz, 120/240 volt, 400 amp max., 3-wire, single meter.

MONTHLY RATE:

Customer Charge (No kWh)		\$30.00 per meter
Plus		
Energy Charge		
	First 600 kWh @	18.0¢
	Next 600 kWh @	13.5¢
	Over 1200 kWh @	11.0¢

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Adopted this 7th day of May, 2018

Signed: John J Staller, Mayor

Attest: Jeanette Smith, Finance Officer

Hinckley seconded the motion. Roll call recorded the following: Vissia, Kehn, Steele, Hinckley, Schuldt, Madrigal, aye; naye, none. Motion carried.

Hinckley moved to approve the following:

RESOLUTION NO 5-7-18-2

A RESOLUTION PROVIDING FOR A SURCHARGE FOR IMPROVEMENTS TO THE CITY OF PLANKINTON DRINKING WATER SYSTEM, FOR PAYMENT OF A BORROWER BOND AND YEARLY REVIEW OF THE SURCHARGE.

1. **Surcharge for Bond Issue.** There shall be charged a monthly surcharge for the services provided by the improvement financed by the CWSRF-02 Conservancy District loan. The surcharge for the loan shall be segregated from other revenues of the City and shall be used for the payment of the Borrower Bond CWSRF-02 (the "Borrower Bond"). Provided that such surcharge shall create net income, remaining from time to time after first paying all reasonable and current expenses of maintenance, repairs, replacements and operation, sufficient to fund interest, reserve and debt service fund annual requirements.
2. **Rates and collection.** The City does hereby establish the special charge or surcharge payable by each customer of its system who receives or benefits from the services of the project financed with the Borrower Bond. Such charge or surcharge shall be set at 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 the administrative expense surcharges and all other payments as may be required under the loan agreement and Borrower Bond. The collection of the Surcharge will start on the 1st day of June 2018.
3. **Borrower Bond.** The following initial surcharge shall be applicable to all customers served whether in or out of the City or whether retail or sales or resale:

Borrower Bond CWSRF-02 Surcharge: \$6.90 per user.

The surcharge shall remain in effect until such time as the Borrower Bond is paid in full. The surcharge shall be collected at the same time as other charges of the drinking water system. The surcharge is found to be equitable for the services provided by the improvements.

4. **Segregation.** The debt service surcharge shall be segregated from other income of the drinking water system in a separate bookkeeping account and is pledged to the South Dakota Conservancy District for the payment of the loan payments on the Borrower Bond.
5. **Yearly review.** The amount of the surcharge shall be reviewed from year to year and may be modified in order to provide such funds as are set forth herein. The charges shall be reviewed yearly by City personnel and administratively adjusted, upwards or downwards, pursuant to SDCL § 9-40-15 to such amounts as may be necessary to pay principal, interest, administrative surcharge and other charges as may become due and owing under the loan agreement or Borrower Bond.
6. **Billing and Accounting.** The surcharge shall be included in the monthly user water bill. Nothing contained herein requires the surcharge be indicated on the billing, however, the surcharge segregation shall be indicated on the books of the City.
7. **Surcharge not to create constitutional indebtedness.** The charges provided herein are for the purpose of paying the Borrower Bond of the City which do not constitute indebtedness within the meaning of South Dakota Constitutional Chapter XIII Section 4.
8. **Automatic Repeal.** The surcharge for the Borrower Bond shall be automatically repealed when the Borrower Bond is paid in full.
9. **Partial Invalidity.** If any one or more of the provisions of this Resolution shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof.

Signed: John J Staller, Mayor

Attest: Jeanette Smith, Finance Officer

Passed: 5-7-18

Published: 5-17-18

Effective: 6-6-18

Madrigal seconded the motion. Roll call recorded the following: Vissia, Kehn, Steele, Hinckley, Schuldt & Madrigal, aye; naye, none. Motion carried.

The Mayor adjourned the meeting at 7:30 p.m.

City Council Proceedings
2018-2019 Council
Reorganizational Meeting

The Finance Officer administered the oath of office to John J Staller for an appointed one-year term as Mayor.

The Mayor administered the oath of office to Pam Vissia for an appointed one-year term in Ward I, to Terry Schuldt for an appointed one-year term in Ward I, to Brad Kehn for an appointed one-year term in Ward II, to Tom Madrigal for an appointed one-year term in Ward II, to Jim Hinckley for an appointed one-year term in Ward III.

The Mayor announced the following appointments for 2018-2019: Jeanette Smith, Finance Officer; Vern Hill, Electrical Supt & Health Officer; Darin Cranny, Maintenance Supt & Parks/Cemetery Supt; James Taylor, Attorney; Beth Ann Walz, Librarian; Brad Kehn, Building Inspector; Official Depository, Farmers & Merchants Bank; Official Newspaper, South Dakota Mail.

The Mayor announced the following committee appointments for 2018-2019: Electrical-Jim Hinckley, Terrance Schuldt & Pam Vissia; Water/Sewer-Jim Hinckley, Tom Madrigal & Susan Steele; Pool/Parks/Rec-Susan Steele & Terrance Schuldt; Streets/Alleys/Cemetery-Terrance Schuldt, Tom Madrigal & Susan Steele.

The Mayor requested nominations for Council President. Kehn nominated Vissia for President, with a second from Madrigal. All voted aye, with Vissia abstaining. Motion carried.

The Mayor requested nominations for Council Vice President. Hinckley nominated Steele for Vice President, with a second from Kehn. All voted aye, with Steele abstaining. Motion carried.

At 7:40 p.m. the delayed Public Hearing was held on Malt Beverage application renewals & new licenses. The finance officer presented applications from Roadhouse Pub, Roadside 66 Service, Plank Inn & Commerce Street Grille, LLC & Dollar General #18575. All applications are complete & monies have been received. Steele moved to approve the permit for Roadhouse Pub, with a second from Madrigal. All voted aye, motion carried. Madrigal moved to approve the permit for Plank Inn, with a second from Kehn. All voted aye, motion carried. Vissia moved to approve the permit for Roadside 66 Service, with a second from Steele. All voted aye, motion carried.

Due to recent changes in legislation the following licenses will be new: Madrigal moved to approve the permit for Dollar General #18575, with a second from Kehn. All vote aye, motion carried. Hinckley moved to approve the permit for Commerce Street Grille, LLC, with a second from Schuldt. All voted aye, motion carried. This ended the Public Hearing.

The Mayor shared information about city hall being contacted by Golden West Telecommunications regarding wanting to give the City first chance to purchase property they have. After discussion, it was the consensus of the council not to purchase the property.

Discussion was held regarding the possibility of creating a soccer field within the West Side Park area. No action taken.

The Mayor's report included: the pool slide is on order; the chairs for the pool should be here soon; there has been illegal dumping at the rubble site, so the lock will need to be changed; there has been a lot of cleanup & grave filling done at the Cemetery; Lance Johnson need to be asked back to a council meeting; Schoenfish & Co were here & audited 2016 & 2017; the City received a \$2500.00 grant from Heartland Cons Power Dist for LED street lighting; Tom, Jim & himself are working on a 5-year plan; the Avera grant for playground equipment was declined; letters will be sent to consumers regarding the water & electric rate increases & include rules for rubble site dumping.

The Finance Officer's report included: bank & CD account balances; revenue & expenditure reports; there will be a closing with the auditors soon; upcoming HR & Finance Officer's school, debit/credit workshop & budget training.

The Maintenance Supt's report included: problems with some sewer lines & having Bender's Sewer & Drain coming to town; one of the sewer lines needs to have its' own manhole; doing major snow removal; culvert & drain cleaning; building a new home team dugout at the ball park; work on the concession stands; some street repair; main street sweeping. He has taken his wastewater collection exam & is certified. He will be attending more training next month.

The Electrical Supt's report included: we were unable to qualify for a \$300,000 loan for 0% from Heartland Cons Power District/USDA. We are eligible for a \$300,000 12-year loan for 3% from Heartland Cons Power District/USDA if the city would want to apply; the fence at the ball field needs work due to wind damage; he will need to shut electricity off to the entire town for about 2 hours to re-route wire & remove equipment to make room for the new switch gear; he will need to order load management receivers; should he apply for a mosquito spray grant, the council answered yes; a pool opening date was discussed, after discussion May 29 will be the pool opening day.

It was the consensus of the council to authorize Vern to apply for a \$300,000.00 loan at 3% for a 12-year term from Heartland Consumers Power District/USDA.

At 8:30 p.m., the Mayor asked for a motion to enter executive session, per SDCL 1-25-2(1) for personnel & per SDCL 1-25-2(4) for contract negotiations. Vissia moved, with a second from Madrigal. All voted aye, motion carried. Vern Hill remained for executive session.

At 8:58 p.m., Vern Hill exited executive session.

At 9:08 p.m., the Mayor declared to return to regular session, with no action taken.

Vern brought it to the attention of the Mayor & Council that the previously Resolution 5-7-18-1 had an error in the section 'Outside City Limits'. Upon modification, Steele moved for passage of the following amended section: **Outside City Limits Service**

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Madrigal seconded the motion. Roll call recorded the following: Vissia, Kehn, Steele, Hinckley, Schuldt, Madrigal, aye; naye, none. Motion carried.

At 9:15 p.m., the Mayor adjourned the meeting.

Signed: John J Staller, Mayor

Attest: Jeanette Smith, Finance Officer

