

Minutes for September 12, 2016 City Council Meeting

The meeting of the Eureka City Council was called to order on September 12, 2016, at 7:00 p.m. by Mayor Miller in the council room of the Municipal Building with the following present: Mayor Miller, Council members: Duquette, Eberhart, Flemmer, Heilman, Schwingler, Weisbeck, Finance Officer Frerk, and City Attorney, Marshall Lovrien.

Others present: James Grossmann, Sandy Bond, Rebecca Bender, Corney Goehring, Deb Larson, Polly Gab, Paulette Bauer, Daren Peterka, Eric Odenbach, Steve Aldinger, Gary Wolff, and Ryan Gage.

Changes and additions to the agenda: Park Signs.

Anita Duquette and Crystal Michaels joined the meeting.

Motion by Heilman, seconded by Eberhart to approve the agenda. All voted aye. Motion carried.

Citizen Open Forum:

Polly Gab present to discuss that they took care of the dead tree in the alley behind their house. They were present at a prior Council meeting where it was discussed that the City maintenance workers would help clean up once the tree was cut down. She is requesting their help with a machine when available.

Deputy Smith joined the meeting.

Airport Board Chairman, James Grossmann, discussed that the Airport Board met on August 30 to review the proposals they received to select an engineering consulting firm for the next five years for the Eureka Municipal Airport. The Airport Board ranked the proposals according to the selection criteria with a total possible points of 200. They were ranked as follows: Interstate Engineering 190, Helms & Associates 166, and Goldsmith & Heck 138. Based on the ranking, the Airport Board recommends reselecting Interstate Engineering.

Motion by Weisbeck, seconded by Eberhart to reselect Interstate Engineering as the engineering and consulting firm for the next five years for the Eureka Municipal Airport. Roll call vote taken. Duquette-yes, Eberhart-yes, Flemmer-yes, Heilman-yes, Schwingler-yes, Weisbeck-yes. All voted aye. Motion carried.

Interstate Engineering discussed the draft of the replat of Lakeside Addition, Block 12, Lots 1-11. One recommendation they gave the City to consider was to add an alley. Interstate Engineering will also be checking to make sure there isn't any easements on any of the properties.

Motion by Weisbeck, seconded by Heilman to include a 16 foot alley through the area on the replat. Roll call vote taken. Duquette-yes, Eberhart-yes, Flemmer-yes, Heilman-yes, Schwingler-yes, Weisbeck-yes. All voted aye. Motion carried.

Greg Schock was present to discuss that the Eureka Theatrical Company is planning to demolish their existing building. They have been in contact with a contractor out of Herreid that could take it down in the winter. They would then be able to back fill the basement in the spring. They would put up a snow fence during the winter for safety. The building is located south of the Carlsen Funeral Home. The

Council stated the rubble site can be used as a dumping facility as long as the building does not contain any asbestos. The Council also stated the open basement must be secured over the winter for liability reasons.

Motion by Schwingler, seconded by Flemmer to waive the \$500.00 tear down permit for the Eureka Theatrical Company. All voted aye. Motion carried.

Crystal Michaels was present to discuss her dog complaint on her neighbor. Deputy Smith has been patrolling the area and checking. Her neighbor is aware of the complaint and is trying her best to let out her dog. The Council stated there are 5-6 dogs in that area. They are going to bark. According to the police report, at this time this issue has not been declared a nuisance.

Dennis Schwingler informed the Council that a new meter has been installed for Anita Duquette since her other one has not been working. The issue should now be resolved. Anita Duquette was present to discuss her water meter concern and stated she wasn't informed until March that it was not working. Her concern also is with her bills that were estimated. Assistant Finance Officer, Paulette Bauer, informed the Council that the City Finance Office's software does not estimate a bill when a water meter isn't working rather it will take the last working reading and bills that way. Assistant Public Works Director, Kyle Hemeyer, has recently installed a new meter.

Steve Aldinger with Interstate Engineering addressed the Council regarding the individual who would like to build a new hangar at the airport and the taxiway project. Deadlines for pre-application and environmental are in December. A Class III Cultural Resource Inventory must be completed before projects can start. The cost for the smaller area is \$3,565.75. The City will be reimbursed 95% and owe 5%.

Motion by Heilman, seconded by Flemmer to approve Beaver Creek's proposal for the Class III Cultural Resource Inventory at the Eureka Municipal Airport for 8.4 acres at the cost of \$3,565.75. Roll call vote taken. Duquette-yes, Eberhart-yes, Flemmer-yes, Heilman-yes, Schwingler-yes, Weisbeck-yes. All voted aye. Motion carried.

Motion by Flemmer, seconded by Schwingler to approve the temporary Malt Beverage license for the Eureka Fire Department at the Hunter's Steak Fry on October 15. All voted aye. Motion carried.

Motion by Heilman, seconded by Weisbeck to approve the temporary Liquor license for the Wolff Den on Sunday, September 25, at the Bentz Family Fundraiser. All voted aye. Motion carried.

Motion by Weisbeck, seconded by Eberhart to approve the sale of property Lots 1, 2, 3, 4 & North 20' of Lot 5, Block 1, Lakeside 1st Addition to Tim and Bonnie Serr for \$8,000.00. All voted aye. Motion carried.

Rebecca Bender was present to discuss the raffle at the Wolff Den for the Bentz Family Fundraiser held the night of the auction. Motion by Duquette, seconded by Schwingler to approve to run the raffle. All voted aye. Motion carried.

Motion by Weisbeck, seconded by Flemmer to approve the August 8, 2016, City Council meeting minutes, and August 15, 2016, Special City Council meeting minutes. All voted aye. Motion carried.

Motion by Eberhart, seconded by Duquette to approve the bills as presented. All voted aye. Motion carried.

Bills for September 12, 2016: Dakota Electronics, siren repair \$374.25; Matheson, acetylene \$26.99; Vilas Pharmacy, supplies \$15.37; Valleytel, utilities \$369.19; Jensen Rock & Sand, street repair \$82,064.25; Dakota Cloud Recovery, computer back up \$199.03; Kary's, gas \$112.10; Ken's, supplies \$17.97; JP Cooke Co., dog license tags \$56.15; Northwest Blade, publishing/advertising \$261.70; Paulette Bauer, supplies \$55.46; JP Lumber, supplies \$492.83; Bank of America, books \$312.89; SD Assoc. of Rural Water Systems, annual dues \$410.00; PC Techno Guy, computer maintenance \$165.00; Heartland Waste, sanitation fees \$5,125.30; Dept of Revenue, public health laboratory \$15.00; Grainger, shop supplies \$258.30; Eureka Plumbing & Heating, supplies \$4.65; SD Dept of Transportation, annual permit renewal \$16.00; American Legion, baseball program \$3,000.00; Jeremy Eberhart, Elected Officials workshop-mileage \$105.00; The Stop, gas \$102.09; Bantz, Gosch & Cremer, attorney fees \$1,998.56; A&B Business, supplies \$169.68; Eureka Manufacturing, supplies/maintenance \$667.98; Premier Equipment, supplies/maintenance \$125.01; HD Supply Waterworks, fire hydrant adapter \$489.24; Sanitation Products, street sweeper maintenance \$1,202.60; SD Dept of Revenue, drivers licensing \$408.00; MDU, utilities \$5,563.96; WEB, water \$9,048.08; FEM Electric, utilities \$414.03; Wellmark, health insurance \$4,174.80; Guardian, dental/vision insurance \$403.86; SD Retirement, retirement \$1,522.44; Cash, rubble site money bag \$50.00; Great Plains Bank, utilities \$14.35; Great Plains Bank, payroll taxes \$3,058.02; USDA Rural Development, water project/loan \$1,694.00; McPherson Co. Auditor, police contract \$3,500.00; Postmaster, stamps \$94.00; Northern Plains, fuel/propane/chemical \$2,160.45; Servall, cleaning supplies \$212.18; Van Diest Supply, pesticide \$1,007.25; Olson Consulting, code enforcement \$381.00; SD One Call, message fees \$11.55; Main Street Checks, supplies \$37.38.

Motion by Duquette, seconded by Flemmer to approve the financials. All voted aye. Motion carried.

Motion by Heilman, seconded by Eberhart to approve the building permits. Weisbeck abstained. All voted aye. Motion carried.

Motion by Weisbeck, seconded by Schwingler to approve the payroll report. All voted aye. Motion carried.

Deputy Smith gave the Police report. He has been notified that Northern Plains' trucks are using G Ave. There is no ordinance against running commercial traffic through residential streets. Council member, Rick Weisbeck, and Deputy Smith will visit with Northern Plains.

The Public Works Director Report was reviewed. Duquette would like to see more well water used. The Council had a question about the mosquito chemical purchased and the billing of property owners for street repair.

Motion by Eberhart, seconded by Schwingler to approve Gregg Arnold and Kyle Hemeyer to attend the Mosquito Control and West Nile Conference. One approved to go to the fall conference and one approved to go to the spring conference. All voted aye. Motion carried.

The Council discussed the artesian well. Mayor Miller read a letter from a Wyoming engineer that Scott Heimer with Water Systems Drilling notified. The Wyoming engineer has SD licensure and quoted engineering services for a new artesian well at \$25,000.00. Interstate Engineering present at meeting and said they also have done artesian well projects. Finance Officer Frerk looked into financing options. There isn't any grants or loans available through Game, Fish, & Parks. NECOG was also contacted and they looked into what the City may qualify for. NECOG contacted many state agencies and because the

City's lake is not used for domestic use the City does not qualify for any grants. However, NECOG did speak with USDA Rural Development and the City would qualify for a Community Facilities loan through them. However, funds may not be available until sometime between December-February of next year. The current interest rate is 2.75%; however, this rate adjusts quarterly. If the City is interested in pursuing application for this loan, engineering information will need to be submitted, environmental done, and resolution for funding established.

Motion by Heilman, seconded by Flemmer to solicit proposals to hire a qualified engineering firm for artesian well services by October's Council meeting. Roll call vote taken. Duquette-yes, Eberhart-yes, Flemmer-yes, Heilman-yes, Schwingler-yes, Weisbeck-yes. All voted aye. Motion carried.

Motion by Weisbeck, seconded by Schwingler to approve the Second Reading of amended Zoning Ordinance 17.03. All voted aye. Motion carried.

AMENDED ZONING ORDINANCE 17.03

BE IT ORDAINED BY THE MUNICIPALITY OF EUREKA, McPHERSON COUNTY, SOUTH DAKOTA,

The City Planning and Zoning Commission is authorized in specific cases to grant variances from the terms of this chapter where, owing to special conditions, a literal enforcement of the provisions of the ordinance will, in an individual case, result in practical difficulty or unnecessary hardship, so that the spirit of the ordinance shall be observed, public safety and welfare secured, and substantial justice done.

The existence of a nonconforming use of any neighboring land, building, or structure in the same district or of permitted or nonconforming uses in other districts shall not constitute a reason for the requested variance. Such variance may be granted in such individual case of unnecessary hardship upon a finding by the board of zoning adjustment that one or more of the following conditions exist:

- a. There are extraordinary and exceptional conditions pertaining to the particular property in question because of its size, shape, or topography that are not applicable to other lands or structures in the same district.
- b. Literal interpretation of the chapter would result in unjust financial hardship to a previously established business or industry.
- c. Granting the variance requested will not confer upon the applicant any special privileges that are denied to other residents of the district in which the property is located.
- d. A literal interpretation of the provisions of this chapter would deprive the applicant of rights commonly enjoyed by other residents of the district in which the property is located.

- e. The requested variance will be in harmony with the purpose and intent of this chapter and will not be injurious to the neighborhood or to the general welfare.
- f. The special circumstances are not the result of the actions of the applicant.
- g. The variance requested is the minimum variance that will make possible the legal use of the land, building or structure.
- h. The variance is not a request to permit a use of land, building, or structure which is not permitted in the district involved.

A variance from the terms of this Ordinance shall not be granted by the City Planning and Zoning Commission unless and until a written application from a variance is submitted demonstrating that special conditions and circumstances exist which are peculiar to the land, structure, or buildings involved and which are not applicable to other lands, structures, or buildings in the same district; that literal interpretation of the provisions of this Ordinance would deprive the applicant of rights commonly enjoyed by other properties in the same district under the terms of this Ordinance; that the special conditions and circumstances do not result from the action of the applicant; that granting the variance requested will not confer on the applicant any special privilege that is denied by this Ordinance to other lands, structures, or buildings in the same district.

Notice of a public hearing shall be held. Any party may appear in person, or by agent or by attorney; the City Planning and Zoning Commission shall make findings that the requirements of this TITLE have been met by the application for a variance; the Commission shall further make a finding that the reasons set forth in the application justify the granting of a variance; and the variance is the minimum variance that will make possible the reasonable use of the land, structure, or building; the Commission shall further make a finding that the granting of the variance will be in harmony with the general purpose and intent of this Ordinance and will not injurious to the neighborhood or otherwise detrimental to the public welfare.

In granting any variance, the City Planning and Zoning Commission may prescribe appropriate conditions and safeguards in conformity with this Ordinance. Violation of such conditions and safeguards, when made in part of terms under which the variance is granted, shall be deemed a violation of this Ordinance.

Under no circumstances shall the City Planning and Zoning Commission grant a variance to allow a use not permissible under the terms of this Ordinance in the district involved, or any use expressly or by implication prohibited by the terms of this Ordinance in said district.

Dated this 12th day of September, 2016.

ATTEST:

Nicole Frerk — Finance Officer

First Reading: August 8, 2016

Second Reading: September 12, 2016

Published: September 29, 2016

Effective: October 20, 2016

The meeting to review the Code Enforcement Ordinance was rescheduled for September 23. Tabled until October's meeting.

City Attorney, Marshall Lovrien, presented the Council with a Bulk Water Code Deposit Ordinance. Marshall did inform the Council that the ordinance does not limit use to the bulk water station, and that they may want to discuss a realistic cap to put into the ordinance. Tabled until October's meeting.

The metering of the Weixel South Trailer Court was discussed. Owner, Jim Weixel, was not present. Tabled until October's meeting.

Motion by Weisbeck, seconded by Duquette to approve Paulette Bauer and Gregg Arnold to attend the SDML Conference October 4-7 in Rapid City. All voted aye. Motion carried.

Motion by Eberhart, seconded by Weisbeck to approve the Second Reading of the Cable TV Franchise Ordinance for a period of 10 years. All voted aye. Motion carried.

CABLE TV FRANCHISE

Ordinance 20160-2

AN ORDINANCE GRANTING A NON-EXCLUSIVE FRANCHISE TO VALLEY TELECOMMUNICATIONS COOPERATIVE ASSOCIATION, INC. (FORMERLY VALLEY COMMUNICATIONS, INC.), ITS SUCCESSORS AND ASSIGNS, THE RIGHT TO ERECT, CONSTRUCT, ACQUIRE, OPERATE AND MAINTAIN A BROADBAND COMMUNICATIONS SYSTEM FOR THE PURPOSE OF RECEIVING, TRANSMITTING AND DISTRIBUTING THE VARIOUS SIGNALS TO THE INHABITANTS OF THE TOWN OF EUREKA FOR A PERIOD OF TEN (10) YEARS, TOGETHER WITH THE RIGHT TO ERECT, CONSTRUCT, ACQUIRE, OPERATE AND MAINTAIN SAID SYSTEM IN, UPON, ALONG, ACROSS, ABOVE, OVER AND UNDER THE STREETS, ALLEYS, PUBLIC WAYS AND PUBLIC PLACES AS PRESENTLY EXIST, AND ALL EXTENSIONS AND ADDITIONS THEREOF FOR ALL POLES, WIRES, CABLES, LINES, CONDUITS, MANHOLES, TOWERS AND OTHER APPARATUS AS MAY BE NECESSARY FOR OPERATION AND MAINTENANCE OF SAID SYSTEM.

BE IT ORDAINED BY THE TOWN OF EUREKA, SOUTH DAKOTA:

I. TITLE

This ordinance shall be known and may be cited as:

“Eureka Broadband Communications System Franchise Ordinance.”

II. DEFINITIONS

SECTION 1. “Broadband Communications System” shall mean all of the component physical, operational, and programming elements of any network of cables, optical, electrical or electronic equipment, including cable television, used for the purpose of transmission of electrical impulses of television, radio and other intelligences, either analog, digital or by any other means to provide various Broadband Communications Service.

SECTION 2. “Broadband Communications Service” shall include all of the wideband and narrow-band services now available or that may be available during the term of this franchise.

SECTION 3. “Town” is the Town of Eureka, South Dakota.

SECTION 4. “Company” hereinafter shall mean Valley Communications, Inc. (formerly Valley Cable & Satellite Communications, Inc.) of Herreid, South Dakota.

SECTION 5. “Board” is the elected Town Board of the Town of Long Lake, South Dakota.

SECTION 6. “Facilities” include, but are not limited to, poles, wires, cables, modulators, towers, antennas and apparatus designed, constructed and/or wired for the purpose of receiving, transmitting and distributing television and other various signals.

SECTION 7. “FCC” shall mean the Federal Communications Commission.

SECTION 8. "Person" shall mean any person, firm, partnership, association, corporation, cooperative, company, organization or any other legal entity.

SECTION 9. "RUS" shall mean the Rural Utilities Service.

SECTION 10. "Streets" shall mean the surface of the space above and below, in, along and across any public street, way, place, right-of-way, road, highway, freeway, bridge, tunnel, lane, path, bike path, alley, court, sidewalk, park-way, drive, communications or utility easement by whatever name called, now or hereafter existing as such within the franchise area.

SECTION 11. "Subscribers" are those persons contracting to receive broadband communications services furnished under this franchise by the Company.

III. GRANT OF NON-EXCLUSIVE AUTHORITY

There is hereby granted by the Town to the Company and to its successors and assigns the non-exclusive rights and privilege to construct, erect, operate and maintain in, upon, along, across, above, over and under the streets, alleys, public ways and public places now existing or dedicated and all extensions of and additions thereto in the Town, all facilities, television conductors and fixtures necessary for the maintenance and operation in the Town of a broadband communications system for the purpose of providing all broadband services of the present and future to the public for a period of ten (10) years.

IV. COMPLIANCE WITH APPLICABLE LAWS AND ORDINANCES

The Company shall, during the term hereof, except in those areas that have been pre-empted by the Cable Communications Policy Act of 1984 as amended, or that are regulated by the FCC, be subject to all lawful exercise of the regulating and police powers of the Town.

V. TERRITORIAL AREA INVOLVED

SECTION 1. This Ordinance relates to the present territorial limits of the Town and to any area annexed thereto during the term of the Ordinance. Company shall not be required to furnish service to any customer farther than 200 feet from a customer then wired and receiving Company's service, except in cases where not less than six (6) subscribers are within 800 feet of a wired customer receiving Company's service and request service.

SECTION 2. In the event the requirement of SECTION V, SECTION 1, is not met, extensions of service shall be required only on a basis that is reasonable and compensatory.

SECTION 3. Company may, but shall not be required to, serve areas or individual homes adjoining, but outside the Town limits, that may be served from its existing facilities. Company may negotiate directory with such customers the amount to be charged for the bringing of the service to the customer.

VI. LIABILITY AND INDEMNIFICATION

SECTION 1. The Company shall maintain at all times sufficient and adequate insurance coverage as required by law and in accordance with the requirements of RUS.

SECTION 2. The Company shall at all times protect and save harmless the Town from all damages and injury arising out of or by any reason of the construction, maintenance and operation of said broadband communications system.

VII. TECHNICAL STANDARDS

The Company shall meet the requirements of the technical standards established by RUS and the FCC, which said standards are acceptable to the Town.

VIII. CONSTRUCTION, OPERATION AND MAINTENANCE OF SYSTEM

SECTION 1. Whenever new construction is necessary, the Company may commence construction upon receiving all necessary and proper FCC and RUS permits, waivers, certifications, and approvals.

SECTION 2. Construction shall comply with the National Electrical Code and RUS Specifications.

SECTION 3. The Company shall maintain a sufficient number of employees to provide safe, adequate, and prompt service and repairs of its facilities, and periodically make system evaluation tests.

IX. NEW DEVELOPMENTS

This Franchise shall allow the Company to take advantage of new developments in technology and state-of-the art improvements in providing the best service at a reasonable cost.

X. CONDITIONS ON STREET OCCUPANCY

SECTION 1. All facilities installed by the Company within the Town shall be located so as to cause minimum interference with the proper use of streets, alleys or other public ways and places. Said fixtures shall be removed and relocated at Company's expense whenever the same would restrict or obstruct the operation or location of any future street in the Town.

SECTION 2. All of said facilities shall be constructed, maintained and operated under the supervision of the Company. Plans for all facilities to be constructed will be coordinated with the proper Town officials. The Company shall at all times maintain an up-to-date record of location of all its facilities, and shall provide any related information required by Town personnel.

SECTION 3. In the event of disturbance of any street, the Company shall, at its own expense and in a manner approved by the street department, replace and restore such street in as good condition as before such disturbance, insofar as the same may be practicable.

SECTION 4. The Company shall, at the request of any contractor hired by the Town, or any person, located free of charge, any of its facilities. The Company shall be given not less than 24-hour advance notice of such locations, except for qualified emergencies, such as broken water mains, etc. Damage to any facilities located will be billed to the contractor.

SECTION 5. Any property of the Company that Company elects to abandon in place shall be abandoned in such a manner as the Town may prescribe.

XI. REMOVAL OF FACILITIES UPON REQUEST

The Company shall, at its own expense, remove, disconnect and relocated any of its facilities when required by the Town by reason of traffic conditions, public safety, street vacation or construction, change or establishment of street grade, installation of sewers, drains, water pipes and/or power lines.

XII. RATES

SECTION 1. The Company shall adopt and maintain on file at its office a schedule setting forth all rates and charges to be made to subscribers for each type of service available.

SECTION 2. The Company may adopt and regulate fair and reasonable rates in accordance with Section 623 of the Cable Communications Policy Act of 1984.

XIII. EMERGENCY USE OF FACILITIES

In the event of any emergency or disaster, the Company shall, upon request of the Town Board, make available whenever possible its facilities to the Town during such emergency or disaster period.

XIV. SAFETY REQUIREMENTS

The Company shall at all times use ordinary care, and shall maintain commonly accepted methods and devices for preventing failures and accidents that are likely to cause damage, injury or nuisance to the public.

XV. TRANSFER OF FRANCHISE

The Company shall not transfer this Franchise to another person without prior approval of the Town Board.

XVI. DURATION OF FRANCHISE

This Franchise and the rights, privileges and authority hereby granted herein shall take effect and be in force from and after final passage hereof, as provided by law, and shall continue in force and effect for a term of ten (10) years.

XVII. TAMPERING

SECTION 1. It shall be unlawful for any person or persons to obtain any communications service from the Company by installing, rearranging or tampering with any facilities or equipment of said Company for the purpose of receiving any signal, picture, sound or transmission, without subscribing and paying the Company therefore.

SECTION 2. Any person violating this Article shall be guilty of a misdemeanor punishable by a fine of not to exceed \$100.00, imprisonment for a term not to exceed thirty (30) days, or both.

XVIII. SEVERABILITY

If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed as a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions herein. The Town hereby agrees not to amend, alter or change this Franchise Ordinance without the prior express written consent of the Company.

XIX. PUBLICATION

The Company shall assume the cost of publication of the Franchise and file its acceptance thereof.

APPROVED:

ATTEST:

(SEAL)

Mayor

Finance Officer

First Reading: August 15, 2016
Second Reading: September 12, 2016
Adopted: October 20, 2016
Published: September 29, 2016

Finance Officer Frerk discussed the health insurance renewal information with the Council. Mayor Miller will plan to meet with the City employees who qualify for health insurance to review this information. Tabled until October's meeting.

Motion by Weisbeck, seconded by Heilman to run the advertisement for the City of Eureka in the Glacial Lakes & Prairies Tourism 2017 Regional Guide. All voted aye. Motion carried.

Motion by Schwingler, seconded by Eberhart to change the CD term lengths with First State Bank of Roscoe to 12-month terms to receive higher interest rates. CD numbers 28213, 29342, and 29343 should be changed. All voted aye. Motion carried.

Council members, Weisbeck and Flemmer will meet to discuss the proposed maintenance of the Information Center building. Tabled until October's meeting.

Safety Benefits, Inc. reviewed the City of Eureka's property and EXIT signs that were purchased at the time of their last review still need to be installed. 4DK Electric and Mehlhaff Electric will be contacted for quotes for electrician services.

Motion by Flemmer, seconded by Heilman to approve the electrician installation quote with the lowest bid received by the Finance Officer and Public Works Director. All voted aye. Motion carried.

Motion by Weisbeck, seconded by Eberhart to change the regular City Council meeting in October to October 4 at 7:00 p.m. All voted aye. Motion carried.

Delinquent water payments are currently charged 5% interest after the 20th of each month and 10% the last day of the month. The Finance Office requests the ordinance be changed to a flat fee instead of a percentage calculation.

The Council discussed the park grant at the baseball field complex. Work is in progress. Electrical work has been examined and under discussion. The fence has been removed and will be replaced.

Motion by Schwingler, seconded by Weisbeck to purchase the used Ricoh Aficio MP C3002/MP C3502 if still available from A&B Business. All voted aye. Motion carried.

The Council reviewed the letter received from the Department of Legislative Audit that they reviewed and accepted the audit report for the City of Eureka for the year ended December 31, 2015.

Trisha Funk has been in contact with the City regarding the lot located south of the City Shop owned by Allan Funk if the City would be interested in purchasing. The Council discussed their interest in purchasing the lot. Trisha will be informed of the City's interest and asked to make an offer.

Rick Weisbeck was approached by an interested party who want to replace and purchase new championship signs by the picnic shelter at the park. The Council is in agreement that the interested party can go ahead and replace the signs if they wish to.

The Council addressed Polly Gab that they will notify the City maintenance workers to help them clean up the tree that has been cut down in their alley.

Motion by Eberhart, seconded by Heilman, due to the need for a new artesian well, \$25,000.00 will be budgeted in the debt service fund in the 2017 budget. Roll call vote taken. Duquette-yes, Eberhart-yes, Flemmer-yes, Heilman-yes, Schwingler-yes, Weisbeck-yes. All voted aye. Motion carried.

Motion by Weisbeck, seconded by Flemmer to approve the second reading of the 2017 budget and Appropriation Ordinance 2016O-1. Roll call vote taken. Duquette-yes, Eberhart-yes, Flemmer-yes, Heilman-yes, Schwingler-yes, Weisbeck-yes. All voted aye. Motion carried.

**ORDINANCE 2016O-1
2017 BUDGET APPROPRIATION ORDINANCE**

Part I: Be it ordained by the City of Eureka, SD that the following sums are appropriated to meet the obligations of the City of Eureka.

	<u>GENERAL</u> <u>FUND</u>	<u>DEBT SERVICE</u> <u>FUND</u>	<u>CAPITAL PROJECTS</u> <u>FUND</u>
<u>Governmental Funds</u>			
410 General Government			
410 Contingency	\$ 57,900.00		
411 Ordinance and Publication	\$ 3,500.00		
412 Mayor and Council	\$ 23,100.00		
413 Elections	\$ 1,250.00		
414 Attorney	\$ 9,000.00		
415 Finance Officer	\$ 131,494.00		
416 General Government Buildings	\$ 81,500.00		
417 General Government Insurance	\$ 6,600.00		
418 Advertising	<u>\$ 1,000.00</u>		
Total General Government	\$ 315,344.00		
420 Public Safety			
421 Police	\$ 48,000.00		
422 Fire Department - Fire Hall	\$ -		
429 Other	<u>\$ -</u>		
Total Public Safety	\$ 48,000.00		

430 Public Works		
431 Highways and Streets	\$ 341,052.00	
432 Street Lights	\$ 40,000.00	
432 Sanitation/Rubble	\$ 80,922.00	
433 Snow Removal	\$ 23,280.00	
435 Airport	\$ 15,650.00	
Total Public Works	\$ 500,904.00	
440 Health and Welfare		
441 West Nile	\$ 2,225.00	
447 Hospitals-debt retirement	\$ 12,500.00	
Total Health and Welfare	\$ 14,725.00	
450 Culture and Recreation		
451 Senior Center	\$ 1,500.00	
451 Bus	\$ 2,500.00	
452 Parks	\$ 204,767.00	
455 Library	\$ 16,370.00	
458 Museum	\$ 5,000.00	
Total Culture and Recreation	\$ 230,137.00	
4650 Economic Development	\$ -	
4653 Promoting the City	\$ 82,700.00	
4653 Avera Health Care	\$ 25,000.00	
	\$ 107,700.00	
4700 Debt Service		\$ 25,000.00
Total 2017 Appropriations	\$ 1,216,810.00	\$ 25,000.00

Part II: The following designates the fund or funds that money derived from the following sources is applied to.

	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>
	<u>FUND</u>	<u>FUND</u>	<u>FUND</u>
<u>Governmental Funds</u>			
Unobligated Cash	\$ 452,985.31		
310 Taxes	\$ 286,100.00	\$ 25,000.00	
General Tax Levy	\$ 300,454.69		
320 Licenses and Permits	\$ 5,270.00		
330 Intergovernmental Revenue	\$ 65,400.00		
340 Charges for Goods and Services	\$ 4,050.00		

360 Miscellaneous Revenue	\$	14,550.00	
380 Sanitation/Rubble	\$	88,000.00	
391 Other sources - Federal FAA Funds	\$	-	
391 Other Sources - State Share FAA Funds	\$	-	
Transfer from General to Capital Projects Fund	\$	-	
Total Means of Finance		\$ 1,216,810.00	\$ 25,000.00

Proprietary Funds

602 Water

Source	\$	25,000.00
Power	\$	12,000.00
Purification	\$	3,000.00
Distribution	\$	89,000.00
Administration	\$	107,607.00
Water Revenue Bonds	\$	<u>16,000.00</u>
Total Water	\$	252,607.00

604 Sewer & Federal Funding **\$ 182,172.00**

Total Water and Sewer **\$ 434,779.00**

Total Proprietary Means of Finance

	Water	Sewer	Sanitation
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
Beginning Retained Earnings	\$ 1,764,276.17	\$ 1,703,646.63	
Estimated Revenue	\$ 153,600.00	\$ 162,000.00	
Total Available	\$ 1,917,876.17	\$ 1,865,646.63	
Less Appropriations (Expenses)	\$ 252,607.00	\$ 182,172.00	
Transfer In	\$ -	\$ -	
Estimated Surplus	\$ 1,665,269.17	\$ 1,683,474.63	
Less Estimated Surplus Retained	\$ 1,665,269.17	\$ 1,683,474.63	
Estimated Surplus to be transferred to Governmental Funds	\$ -	\$ -	

The Finance Officer is directed to certify the following dollar amount of tax levies made in this ordinance to the McPherson County Auditor.

County Auditor says that our growth is 1.55%. This amounts to \$4,585.96.

The taxes levied for this current year are \$295,868.73; therefore, our maximum tax request for 2017 is \$300,454.69.

Dated this 12th day of September 2016

First Reading: August 15, 2016

Second Reading: September 12, 2016

Published: September 29, 2016

Effective Date: October 20, 2016

Lloyd Miller - Mayor

ATTEST: Nicole Frerk, Finance Officer

Motion by Heilman, seconded by Schwingler to go into executive session at 9:38 p.m. All voted aye. Motion carried.

Motion by Eberhart, seconded by Schwingler to come out of executive session at 9:50 p.m. All voted aye. Motion carried.

No action taken.

Motion by Flemmer, seconded by Heilman to adjourn the meeting at 9:52 p.m. All voted aye. Motion carried.

Mayor Lloyd Miller

Nicole Frerk, Finance Officer