

**MOBRIDGE CITY COUNCIL
REGULAR MEETING
November 17, 2014**

Pursuant to due call and notice thereof, a Regular Meeting of the Common Council of the City of Mobridge, South Dakota was held in City Hall in said City on Monday, November 17, 2014 at 5:35 PM. Mayor Jamie Dietterle, Finance Officer Heather Beck, City Administrator Christine Goldsmith, City Attorney Rick Cain and the following council persons were present: Cox, Cerney, Henderson, O'Connell (by phone), Yellow Boy and Carlson.

ADOPT AGENDA:

The agenda was adopted on a motion by Yellow Boy, second by Henderson and carried.

MINUTES:

Moved by Carlson, second by Yellow Boy and carried, to approve the minutes from the November 3, 2014 regular meeting.

UNFINISHED BUSINESS:

PHANSTEEL BUILDING – Rhett and Susanne Albers were present to discuss the abatement of their building located at Lot 12, Block 8, Original Plat of the Town, now City of Mobridge, South Dakota. Albers requested the Council stop the abatement process and allow them more time to research alternate uses for the building. They asked for a May 1, 2015 proposal date. The Mayor asked the Council not to reconsider the abatement process. After much discussion, moved by Cerney, second by Henderson and carried 5-1 (Carlson voted no), to authorize the city attorney to enter a stipulation to the Courts, giving the Albers until June 1, 2015 to either tear down the building or rehabilitate the building; if not completed by the deadline, the City will tear it down and enter a judgment against the Albers for the cost.

RESOLUTION 14-15, SETTING WASTEWATER RATES – Cox made a recommendation to the Council to increase the wastewater rates by \$6.00 per month plus charging .50 per thousand gallons over 6,000 excess usage. Moved by Cox, second by Carlson and carried, to approve Resolution 14-15, setting fees for sanitary sewer rates.

**RESOLUTION NO. 14-15
SETTING FEES FOR SANITARY SEWER RATES**

WHEREAS, the City of Mobridge desires to set by resolution the fees to be charged for sanitary sewer usage, both within the City Limits and Outside the City Limits.

NOW THEREFORE, be it RESOLVED,

Effective with the January 1, 2015 utility billing, the fees to be charged for sanitary sewer usage shall be as follows:

(1) Residence, apartments and mobile homes:

\$23.00 per month for each residential and/or apartment and/or mobile home connection; accumulative according to the number of residences, apartment users and mobile home users connected to one sewer outlet. The minimum sewer rental shall pay for up to 6,000 gallons of water per month used by each metered residence. In the event a residence uses more than 6000 gallons of water per month, the residence shall pay an additional \$.50 for each 1000 gallons or portion thereof of water used by said residence in excess of the first 6000 gallons per month

(2) Commercial connections:

Each separate commercial sewer connection shall pay a minimum service rental of \$23.00, per month, and where more than one commercial business shall be connected to one sewer outlet each business shall pay a minimum sewer rental of \$23.00, per month. The minimum sewer rental shall pay for up to 6,000

gallons of water per month used by said business. In the event a business uses more than 6000 gallons of water per month, the business shall pay an additional \$.50 for each 1000 gallons or portion thereof of water used by said business in excess of the first 6000 gallons per month

(3) Hotels and/or Motels with Combined Apartments and Sleeping Rooms and/or Business Connections:

All hotels and motels having combined apartment and hotel or motel rooms and/or separate businesses connected to the sewer system with one sewer outlet shall pay sewer rental at the base minimum commercial rate of \$23.00, per month plus \$23.00, per month for each room, apartment or business connected thereto. The minimum sewer rental shall pay for up to 6,000 gallons of water per month used by said hotel or motel plus 6000 gallons of water for each additional apartment, room or business connected thereto which pays the minimum base fee. In the event the hotel, motel and separate connected business uses more than 6000 gallons of water per month (times the number of rooms or apartments connected thereto subject to the base fee, the hotel or motel shall pay an additional \$.50 for each 1000 gallons or portion thereof of water used by said hotel or motels in excess of the first 6000 gallons per month (times the number of rooms or apartments connected thereto).

- (4) An account for services will be kept for each user and a separate account for separate premises. Each owner will be liable for service to the users of his premises. Bills for service shall be rendered monthly for residential and commercial users and will be due within 15 days of date of billing. The charge for sanitary sewer service may be included on the water bill, but if so, shall be separately stated thereon. The City Finance Officer will keep account and render the bills; he or she will receive payments of bills and give receipts therefore.
- (5) All sewer service charges when collected and all monies received from the date of any sewage collection facilities or equipment shall be placed in a separate fund and shall be used first to pay the normal, reasonable and current costs of operation and maintaining the facilities, and the balance shall be used as the Common Council may direct and as provided by law, subject to the Surcharge Fees set forth below.
- (6) All sewer service charges shall be charged against the owner, lessee or occupant of the premises, and if such charges shall not be paid when due, the City shall have the right to disconnect water or sewer service to the premises and to collect the delinquent charges by civil action in any court.

BE IT FURTHER RESOLVED,

Surcharge Fees:

Out of the fees set forth above, there shall be removed and placed in a separate segregated account the monthly sum of \$2.80 for each sewer connection which amount shall be deemed a surcharge for the sole purposes of repayment of the Clean Water State Revolving Fund loan C461016-04 all as set forth in the Resolution NO. 13-03. The \$2.80 surcharge shall remain and continue to be placed in the separate segregated account until the Revenue Bonds for the Clean Water State Revolving Fund loan C461016-04 are fully paid.

Until such time as the above fees become effective, the sewer rental availability and usage charges shall remain the same as they were on November 17, 2014.

SURPLUS FUEL TRUCK – One bid was received on the 1969 Ford Fuel truck. Moved by Carlson, second by Yellow Boy and carried, to approve the bid received for the 1969 Ford fuel truck in the amount of \$999.00 from Mike Merriman.

SURPLUS SOUND/CAMERA SYSTEM – Moved by O’Connell, second by Carlson and carried, to approve the value of the sound equipment, camera and TV at \$250, an average of three appraisals.

NEW BUSINESS:

CEMETERY DEED TRANSFER - Moved by Yellow Boy, second by Cerney and carried, to approve the following cemetery deed transfer: Grave 2, Lot 31, Block O in Greenwood Cemetery from the City of Moberidge to John Leff.

DONATION OF PROPERTY – Moved by Carlson, second by Cox and carried, to accept the donation of the property located at 321 2nd Ave E from Wells Fargo Bank.

AIRPORT ENGINEER – Every 5 years the City is required to conduct interviews with engineers and select one for the airport engineering projects. The interview committee selected Helms Engineering. Moved by Cerney, second by Henderson and carried (4-3 with the Mayor voting yes; Cox, Yellow Boy and Carlson voted no), to approve Helms Engineering for the airport projects for 5 years.

ADVERTISING FOR INSURANCE POLICY – Moved by Cerney, second by Cox and carried, to approve advertising for the 2015 liability insurance policy.

SCHERR-HOWE/SCHOOL LEASE - Moved by Cox, second by Carlson, and carried, to approve the Scherr-Howe Auditorium lease with the Moberidge-Pollock School District beginning December 1, 2014 and terminating February 28, 2015 with a monthly rent of \$500.

CAPITALIZATION POLICY – Moved by Cerney, second by Henderson and carried, to approve the following Capitalization Policy & Procedures:

**CITY OF MOBRIDGE, SOUTH DAKOTA
CAPITALIZATION POLICY & PROCEDURES**

Asset Definitions

Capital Assets

A capital asset is defined a land, a building, a piece of equipment, or investment in general infrastructure, that has a value in excess of the City’s capitalization threshold and has an expected useful life of greater than one year. The Governmental Accounting Standards Board (“GASB”) has issued Statement 34, dictating the requirements for the reporting of such assets. The annual value of such assets is reported in the Annual Financial Report as prepared by the Finance Officer.

Controllable Assets

Certain purchases made by the City do not meet the criteria established for designation as a capital asset; by their nature, however, should be monitored for proper use and disposal, even though their value does not substantially impact the overall value of the City assets. Such assets shall be listed on the Personal Property Listing. SDCL 5-24 requires all municipal departments to file a property inventory with the finance officer by January 10th of each year. By law this list should include all items over \$5,000 in original cost. All items \$1,000 or more, along with all electronic equipment shall also be included in the personal property along with all electronic equipment shall also be included in the personal property listing. The description & location of the item shall also be included on the listing.

Capitalization Threshold by Asset Classes

Land and Land Rights

All land is listed as a capital asset. Land is not depreciated. Land rights shall include easement. The land under a road is controlled by the government and should also be valued and listed. Besides land and land rights, all other inexhaustible capital assets (excavations, fill and grading) should also be recorded in this account.

Buildings

Buildings include buildings and structures (water towers). Buildings will be considered capital assets when the original cost of building exceeds \$25,000.00.

Improvements Other than Buildings (infrastructure)

Improvements such as utility installation, retaining walls, parking lots, fencing and landscaping fall into this category. Infrastructure, such as streets/alleys – subsurface, streets/alleys – asphalt, curb & gutter (City owned), street lights, water systems, sewer systems should also be listed here. Such items will be considered capital assets when the original cost exceeds \$25,000.00. (Infrastructure will be listed as subsystems with like items being grouped.)

The following guidelines should be used to determine if certain infrastructure is a capital asset or a repair:

Street/Alley – subsurface:	700 sq. yds. replaced
Street/Alley – asphalt:	700 sq. yds. replaced
Storm Sewer – piping:	150 ft. replaced
Water/Sewer – piping:	150 ft. replaced

Machinery & Equipment

Equipment will be considered capital assets when the original cost of the equipment exceeds \$5,000. Equipment exceeding \$1,000.00 shall be listed on the personal property listings which shall list the description and location of the equipment. Common assets can be grouped together. All electronic equipment (radios, computers, etc.) will be kept track of under the personal property listings regardless of their original cost.

Property Accounting

Useful Life Assessments

Normal useful life is defined as the physical life, in terms of years, that an asset is expected to endure before it deteriorates to an unusable condition. Each individual capital asset will be assigned a useful life by the department head and finance officer. The table of estimated useful life from the Department of Legislative Audit will be considered along with history of a departments use on a similar piece of equipment and the age of the equipment when purchased.

Asset In-Service Dates

An asset's age is typically based on when the asset was acquired, or when the asset underwent its most recent major renovation. The useful life can be adjusted by a major renovation if the renovation will prolong the useful life of the asset.

Fund Designations/Function Designations

For accounting purposes, assets are associated with a fund type; either governmental or proprietary.

Depreciation Considerations

Depreciation shall be applied to all capital assets and assigned on an annual basis. The straight line depreciation method shall be used (original cost, divided by estimated useful life).

Property Control

Department Control

City departments must maintain all assets that are within their control, in as good condition as may be made in the asset's working environment. Departments shall take adequate care that the working environment for the assets is appropriate and suitable for such assets. City departments must treat all assets in an ethical manner, and must not misuse the assets for personal use or benefit.

All relevant information or documents for an asset will be kept with the finance office. City departments must obtain approval of the Council for suitable and appropriate disposal method for assets no longer required by the department. City departments must annually file a report of personal property inventory to the finance officer by January 10th of each year (SDCL 5-24).

Finance Officer

The Finance Officer maintains a full and comprehensive list of capitalized assets processed by the City. Information on the asset must include, but is not limited to fund, department, purchase date, description, useful life, original cost, depreciation expense, and accumulated depreciation. The Finance Officer is

responsible to cross check departmental personal property listings with the Capital Asset listings. Recording the depreciation expense annually and the property reporting of capital assets to SD Legislative Audit is also the responsibility of the Finance Officer.

DISCUSSION AND INFORMATION ITEMS:

- **Financial Report** – Beck presented a financial report to the Council.
- **Security Camera** – The Council was informed that the business that has the City’s camera is no longer in business. The City will not be able to get the camera back and will have to purchase a new one.

TRAVEL:

- Moved by Carlson, second by Cox and carried, to approve Christine Goldsmith to Pierre on November 19, 2014 for TAP grant presentation.
- Moved by Yellow Boy, second by Cox and carried, to approve Justin Dame to Sioux Falls on December 2-4, 2014 for wastewater class and exam.

PAYMENT OF BILLS:

Moved by Cox, second by Henderson and carried, to approve the following bills for payment:

AE2S, prof services-4,800.00 ;AmeriPride, supplies-48.72 ;Aqua Pure, repairs-606.73 ;AT&T, utilities-189.38 ;Bestway Traffic, repairs-539.00 ;Cam Wal, street lights-270.61 ;Cardmember Services, travel/repairs-2,706.77 ;Carlson Tire Services, repairs-16.00 ;Central Diesel, supplies-130.72 ;Chamber of Commerce, 3B-9,335.72 ;Charles Dutt Electric, repairs-431.48 ;Days Inn Brookings, travel-215.85 ;DENR, prof services-10.00 ;Dish TV, utilities-36.00 ;Fabra Tech, prof services-37.80 ;Family Dollar, supplies-31.25 ;Fleet Services, gasoline-1,364.95 ;Frank Miller, repairs-180.00 ;Gienger Sales, supplies-68.00 ;Graham Tire, tires-1,111.52 ;GTC Auto Parts, supplies-505.10 ;Helms & Assoc., prof services-2,436.60 ;Hettinger Mobridge Candy, supplies-35.04 ;ISC Companies, supplies-187.91 ;Jensen Rock & Sand, gravel/cold mix/snow removal-12,244.41 ;KOLY, publishing-125.00 ;Language Line Services, prof services-90.00 ;Lind's Hardware, supplies-1,200.86 ;Lucky's Gas, gasoline-125.45 ;Marco, Inc., supplies-274.26 ;MDU, utilities-7,804.87 ;Merkels Foods, supplies-25.70 ;Midcontinent Communications, utilities-110.00 ;Mobr Tribune, publishing-25.70 ;Mobridge Gas Co., LP gas-2,454.33 ;Mobridge Tribune, publishing-375.17 ;Mobridge Tribune, supplies-27.03 ;Neve's Uniforms, uniforms-286.53 ;Oahe Vet, prof services-55.00 ;Office Depot, supplies-87.98 ;Payless foods, supplies-23.78 ;Quenzer Electric, repairs-270.86 ;Runnings Supply, supplies-1,752.78 ;SD One Call, prof services-31.50 ;Unum Life Insurance, insurance-153.90 ;US Post Office, postage-820.53 ;USDA-Rural Development, loan payment-2,925.00 ;USDA-Rural Development, loan payment-2,373.00 ;Valley Telecommunications, utilities-905.16 ;Voyager Fleet, gasoline/diesel-1,089.17 ;Walworth County Landfill, prof services-14.15 ;West River Telecommunications, phones-3,839.55.

Salaries: Administration-2458.15; City Administrator-1980.77; Police Department-20997.98; Street Department-4124.00; Library-2647.43; Auditorium-1153.70; 24/7-186.72; Water Department-6861.51; Sewer Department-3736.91; and Airport – 1224.00.

There being no further business to come before the council, the meeting adjourned at 6:30 PM on a motion by Carlson, second by Cox and carried.

Heather Beck, Finance Officer
Published once at the total approximate cost of \$

Jamie Dietterle, Mayor