

CITY OF CENTERVILLE
UNAPPROVED MINUTES OF RESCHEDULED
REGULAR MEETING
Monday, August 7, 2023
5:30 p.m.

Mayor Austin called the meeting to order at 5:30 p.m.

The pledge of allegiance was recited.

Mayor Austin Swore in Kyle Strand as a councilman for Ward 3.

Council members present: Vicki Sikkink, Kyle Strand, Jackie Krebs, Conway Lunning, and Adam Carlson.

Others present: Kristin Voegeli – Finance Officer, Nolan Clark – Police Chief, Cody Sikkink – Operations Manager and Jared Hybertson – Economic Development

Visitor's Present: Justin Heim - ISG, Inc, Jesse Wurtz, David Decker, David Decker, Jr., Gary Decker, Jamison Wurtz – MFG, LLC.

Mayor Austin asked if there was any additions or corrections to the agenda. K. Voegeli requested to add Resolution 2023-13 Issuer Resolution. After the addition, V. Sikkink moved and K. Strand seconded to approve the agenda. Motion carried. Unanimous.

J. Krebs moved and C. Lunning seconded to approve the regular meeting minutes from Tuesday, July 11, 2023. Motion carried. Unanimous.

K. Strand moved and C. Lunning seconded to approve the warrants presented. Motion carried. Unanimous.

WARRANTS

SD Retirement System \$4313.66 Vendor Liability A-OK Sanitary Service, Inc. \$4150.00 LANDFILL ROLLOFF AM GARAGE DOORS, LLC \$465.00 REPAIRED GARAGE DOOR SHOP AR LASKA INC. \$4110.91 SENIOR CENTER BLOWER MOTOR IN FURNACE CENTER POINT LARGE PRINT \$446.74 BOOKS CENTERVILLE POSTMASTER \$4450.00 WATER BILL POSTAGE City of Sioux Falls \$4101.50 BACTERIA WATER TESTS 2ND QUARTER CLERK OF COURTS TURNER COUNTY \$439.53 REFUND OF OVERPAYMENT CODE ENFORCEMENT SPECIALISTS \$4135.32 7-1-23 THROUGH 7-31-23 CORE & MAIN LP \$4333.98 VANE GRATE CRARY HUFF LAW FIRM \$40.00 LEGAL FEES & ABATEMENT Dakota Ace Hardware \$4260.18 PAINTING SUPPLIES Diesel Machinery, Inc. \$4300.00 KOMATSU RENTAL Farmers Lumber Company \$488.98 ANCHOR WEDGE, HAMMER, PLYWOOD Fort Randall Telephone Co. \$4686.57 TELEPHONE INTERNET FAX Hawkins, Inc. \$4655.56 CHEMICALS Health Pool of SD \$4462.09 HEALTH INSURANCE JACK'S UNIFORMS & EQUIPMENT \$4115.90 PD SHIRT KNIFE RIVER - SOUTH DAKOTA \$4456.80 ASPHALT 18.21 @ \$80 KOLETZKY IMPLEMENT, INC. \$416.20 BOLT FOR MOWER Lewis & Clark Rural Water \$4235.30 JULY 2023 New Century Press, Inc. \$478.89 PUBLICATIONS Olson's Ace Hardware \$4129.97 CHAINS PORTA PROS, INC. \$4170.00 NORTH BASEBALL DIAMOND TOILET RENTAL Pump N Stuff- City \$4703.27 POLICE FUEL Pump N Stuff- City \$4570.00 CITY FUEL Pump N Stuff- City \$47.77 FIRE DEPT Centerville Rotary Club \$4150.00 PD AND ECONOMIC DEVELOPMENT SD Public Assurance Alliance \$4687.95 2023 DISTRIBUTION SOUTHEAST FARMERS CO-OP \$4296.93 RUBY DYED DIESEL \$3.09 Total Stop Food Store #747 \$471.36 MISC SUPPLIES AND MATERIALS TWO WAY SOLUTIONS, INC \$4684.99 LIION 29000MAH BATT USDA Rural Development \$4130.00 USDA LOAN PAYMENT Vermillion Garbage Service \$4120.00 COMMERCIAL GARBAGE Century Business \$447.97 charges for 7-5-23 to 8-4-23 New Century Press, Inc. \$477.28 VARIANCE Bendert PARKER FARM AND AUTO SUPPLY IN \$4481.65 SEWER MISC SUPPLIES AND MATERIALS Kim Satter \$4300.00 WATER AEROBICS 15 CLASSES @ \$20 DAKOTA FLUID POWER \$450.59 HYDRAULIC LEVEL GAUGE MR GS TIRES \$4444.95 F150 TIRES & ALIGNMENT RUNNINGS \$4196.99 BATTERY XC SHOP TK HANDYMAN SERVICE \$4006.07 LABOR & MATERIAL REPLACE DRYWALL TAPE AND TEXTURE AT&T MOBILITY \$480.08 PD WIRELESS COLONIAL LIFE \$4824.78 DENTAL/ACCIDENT INS

MidAmerican Energy Company \$40.00 UTILITY GAS BILL Verizon Wireless \$4129.00 PD MODEM & STREET TABLET Xcel Energy \$4951.17 ELECTRICITY Xcel Energy \$4253.50 SENIOR CENTER USDA Rural Development \$4130.00 LOAN PAYMENT First National Bank \$4380.39 LOAN PAYMENT City of Centerville \$468.97 CITY SHOP/POLICE WATER City of Centerville \$458.34 SENIOR CENTER WATER City of Centerville \$460.16 CITY HALL WATER First National Bank \$4716.87 CW-01 LOAN PAYMENTS Unemployment Ins. Div. of SD \$4411.14 QTR 2 UNEMPLOYMENT VISA \$46.46 PD CAR WASH 62823 STATEMENT Dept of Revenue & Regulation \$4416.67 JUNE 2023 REMITS Xcel Energy \$4800.08 ELECTRICITY Internal Revenue Service \$4505.21 Vendor Liability Internal Revenue Service \$4560.68 Vendor Liability Verizon Wireless \$4129.02 PD/SHOP USDA Rural Development \$4130.00 USDA LOAN PAYMENT MidAmerican Energy Company \$461.95 MIDAMERICAN ENERGY SYNCB/AMAZON \$4223.11 LIBRARY SUPPLIES 7-1-23 TO 7-31-23 AT&T MOBILITY \$480.08 POLICE COLONIAL LIFE \$4824.78 AUGUST City of Centerville \$4182.24 WATER MidAmerican Energy Company \$476.74 MONTHLY UTILITY GAS BILL VISA \$4328.23 CAR WASH First National Bank \$4239.06 CW-01 US BANK \$4848.84 CW-03 Xcel Energy \$4143.28 ELECTRICITY SERVICE

July Payroll: Finance - \$4,800.04 Police - \$15,304.45; Streets - \$5,445.02; Water - \$6,250.11; Sewer - \$6,250.11; Parks - \$2,994.72 Pool - \$9,618.66 Library - \$5,923.92; Econ Dev - \$6,974.39

Mayor Austin shared building permits received from Matt Bendert, David & Cheryl Stevens, Chris & Natalie Swift, Justin Knutson, Brian Jensen, Allen Skotvold, Knudson Properties, and Christina Henke, previously approved by K. Voegeli and K. Westra.

No public comments.

Business Inquiry: Economic Development Coordinator, Jared Hybertson spoke on behalf of MFG, LLC., regarding a potential business in town. The council members believed it would be a great addition to town.

Water Tower – Justin Heim, Civil Engineer for ISG, Inc. shared the current rates from various communities in the Sioux Falls metro area. These rates were in comparison to the current water and sewer rates around the community. The surcharge that will go along with the new water tower will still remain below the comparable rates who also have had debt service surcharges for their project.

V. Sikkink moved and C. Lunning seconded to approve Resolution 2023-12 surcharge fee. Motion carried. Unanimous.

RESOLUTION 2023-12

RESOLUTION OF THE CITY OF CENTERVILLE, SOUTH DAKOTA TO INCLUDE A SURCHARGE FEE IMPOSED ON USERS OF THE CITY'S DRINKING WATER SYSTEM IN ORDER TO REPAY A SURCHARGE REVENUE BOND IN THE ORIGINAL PRINCIPAL AMOUNT OF \$1,412,000.

WHEREAS, the City of Centerville recognizes the need to maintain a safe and clean water system for its residents, and

WHEREAS, Section 51.18(D) gives City Council the ability to change water rates by resolution,

WHEREAS, on June 1, 2020, the City of Centerville adopted resolution 2020-06 in accordance with the City's Municipal Ordinances Water Rates Section 51.18.

WHEREAS, the City of Centerville is imposing a surcharge on all customers of the City's drinking water system (the "system") in order to secure repayment of a bond issued on August 7, 2023 in the principal amount of \$1,412,000 (the "Borrower Bond") to South Dakota Conservancy District (the "District") pursuant to the terms of the Loan Agreement of the same date (the "Loan Agreement");

WHEREAS, the Surcharge Resolution established a monthly surcharge of \$14.55 to all classes of customers;

WHEREAS, the Surcharge Resolution provides for annual review and adjustment of the surcharge amount to a level, 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 all other amounts owing under the Loan Agreement; and

WHEREAS, the City has determined that the surcharge should be adjusted to better reflect the amount of surcharge needed to produce income at the times and in amounts sufficient to pay when due the principal of interest on the Borrower Bond and all other amounts owing under the Loan Agreement.

NOW THEREFORE BE IT RESOLVED, by the City as follows:

- A. In addition to the other charges, the City hereby establishes a surcharge of \$14.55 payable by each customer of its system who receives or benefits from the services of the project financed by the DW-03 loan with the borrower bond. The collection of the surcharge shall start on January 1, 2024.
- B. The surcharge shall remain in effect until such time as the borrower bond is paid in full, it shall be collected at the same time as other charges of the system and establish a surcharge account to segregate the income from other system income for bookkeeping purposes to be pledged to the South Dakota Conservancy District. The surcharge shall be reviewed from year to year and modified in order to provide the required 110 percent debt coverage.

Adopted this 7th day of August, 2023.

Kent Austin, Mayor

ATTEST: _____
Kristin Voegeli, Finance Officer

V. Sikkink moved and C. Lunning seconded to approve Resolution 2023-13 Issuer. Motion carried. Unanimous.

RESOLUTION NO. 2023-13

RESOLUTION GIVING APPROVAL TO CERTAIN DRINKING WATER FACILITIES IMPROVEMENTS; GIVING APPROVAL TO THE ISSUANCE AND SALE OF A REVENUE BOND TO FINANCE, DIRECTLY OR INDIRECTLY, THE IMPROVEMENTS TO THE FACILITIES; APPROVING THE FORM OF THE LOAN AGREEMENT AND THE REVENUE BOND AND PLEDGING PROJECT REVENUES AND COLLATERAL TO SECURE THE PAYMENT OF THE REVENUE BOND; AND CREATING SPECIAL FUNDS AND ACCOUNTS FOR THE ADMINISTRATION OF FUNDS FOR OPERATION OF THE SYSTEM AND RETIREMENT OF THE REVENUE BOND AND PROVIDING FOR A SEGREGATED SPECIAL CHARGE OR SURCHARGE FOR THE PAYMENT OF THE BONDS.

WHEREAS, one of the purposes of SDCL Chapter 9-40 (the "Act") as found and determined by the Legislature is to provide for financing the acquisition, maintenance, operation, extension or improvement of any system or part of any system of waterworks for the purpose of providing water and water supply for domestic, municipal, together with extensions, additions, and necessary appurtenances; and,

WHEREAS, a municipality is authorized by Section 6 of the Act to issue revenue bonds to defray the cost of extensions, additions and improvements to any utility previously owned without pledging its credit and is authorized to pledge the net income or revenues from the Project in accordance with Section 15 of the Act; and,

WHEREAS, the City of Centerville (the “City”) currently operates a water distribution system to supply municipal, industrial and domestic water to its inhabitants and has determined that improvements to the drinking water facilities are necessary for the conduct of its governmental programs and qualifies as an improvement, extension or addition to its drinking water system; and,

WHEREAS, the City has determined to issue its revenue bonds to finance the improvements to its system of waterworks for the purpose of providing water and water supply for domestic, municipal, and industrial purposes (the “System”) and has applied to the South Dakota Conservancy District (the “District”) for a Drinking Water State Revolving Fund Loan to finance the improvements;

WHEREAS, the City shall adopt special rates or surcharges for the improvements to be pledged, segregated and used for the payment of the Bonds.

NOW THEREFORE BE IT RESOLVED by the City as follows:

SECTION 1. Definitions. The terms when used in this Resolution shall have the following meanings set forth in this section unless the context clearly requires otherwise. All terms used in this Resolution which are not defined herein shall have the meanings assigned to them in the Loan Agreement unless the context clearly otherwise requires.

“**Act**” means South Dakota Codified Laws Chapter 9-40.

“**Loan**” means the Loan made by the South Dakota Conservancy District to the City pursuant to the terms of the Loan Agreement and as evidenced by the Revenue Bond.

“**Project**” means the City of Centerville Water Tower Project.

“**Revenue Bond**” means the revenue bond or bonds issued the date of the Loan Agreement by the City to the South Dakota Conservancy District to evidence the City’s obligation to repay the principal of and pay interest and Administrative Expense Surcharge on the Loan.

“**System**” means the City’s system of waterworks used for the purpose of providing water and water supply for domestic, municipal, and industrial purposes.

SECTION 2. Declaration of Necessity and Findings.

2.1. Declaration of Necessity. The City hereby declares and determines it is necessary to construct and finance improvements to its drinking water facilities within its System described as the Project.

2.2. Findings. The City does hereby find as follows:

2.2.1. The City hereby expressly finds that if the Project is not undertaken, the System will pose a health hazard to the City and its inhabitants, and will make the City unable to comply with state and federal law.

2.2.2. Because of the functional interdependence of the various portions of the System, the fact that the System may not lawfully operate unless it complies with State and federal laws, including SDCL Chapter 34A-3A, and the federal Safe

Drinking Water Act, and the nature of the improvements financed, the City hereby finds and determines that the Project will substantially benefit the entire System and all of its users within the meaning of Sections 15 and 17 of the Act.

2.2.3. The City hereby determines and finds that for the purposes of the Act, including, in particular, Sections 15 and 17 of the Act, that only the net income from the Project financed by the Revenue Bond be pledged for its payment.

SECTION 3. Authorization of Loan, Pledge of Revenue and Security.

3.1. Authorization of Loan. The City hereby determines and declares it necessary to finance up to \$1,412,000 of the costs of the Project through the issuance of bonds payable from the revenue of the Project and other funds secured by the City. The City hereby determines that because the Revenue Bond is issued in connection with a financing agreement described in SDCL 46A-1-49, pursuant to Section 15 of the Act no election is required to issue the Revenue Bond.

3.2. Approval of Loan Agreement. The execution and delivery of the Revenue Obligation Loan Agreement (the "Loan Agreement"), the form of which is on file with the City Finance Officer (the "Finance Officer") and open to public inspection, between the City as Borrower and the District, is hereby in all respects authorized, approved and confirmed, and the Mayor and Finance Officer are hereby authorized and directed to execute and deliver the Loan Agreement in the form and content attached hereto, with such changes as the Attorney for the City deems appropriate and approves, for and on behalf of the City. The Mayor and Finance Officer are hereby further authorized and directed to implement and perform the covenants and obligations of the City set forth in or required by the Loan Agreement. The Loan Agreement herein referred to and made a part of this Resolution is on file in the office of the Finance Officer and is available for inspection by any interested party.

3.3. Approval of Revenue Bond. The issuance of a revenue bond in a principal amount not to exceed \$1,412,000 as determined according to the Loan Agreement in the form and content set forth in Appendix B attached to the form of Loan Agreement (the "Revenue Bond") shall be and the same is, in all respects, hereby authorized, approved, and confirmed and the Mayor, Finance Officer, and other appropriate officials shall be and are hereby authorized and directed to execute and seal the Revenue Bond and deliver the Revenue Bond to the District, for and on behalf of the City, upon receipt of the purchase price, and to use the proceeds thereof in the manner set forth in the Loan Agreement. The Mayor and Finance Officer are hereby authorized to approve the final terms of the Revenue Bond and their execution and delivery thereof shall evidence that approval. The Revenue Bond shall be issued under the authority of SDCL Chapter 9-40 and SDCL Chapter 6-8B, and the provisions of the Act are hereby expressly incorporated herein as provided in Section 19 of the Act.

3.4. Pledge of Revenues. The Revenue Bond together with the interest thereon, shall not constitute a charge against the City's general credit or taxing power, but shall be a limited obligation of the City payable solely out of the Project Debt Service Account, which payments, revenues and receipts are hereby and in the Loan Agreement pledged

and assigned for the equal and ratable payments of the Revenue Bond and shall be used for no other purpose than to pay the principal, interest and Administrative Surcharge on the Revenue Bond, except as may be otherwise expressly authorized in the Loan Agreement (including the purpose of securing Additional Bonds issued as permitted by the terms thereof). The City covenants and agrees to charge rates for all services from the Project or establish special charges or surcharges which will be sufficient to provide for the payments upon the Revenue Bond issued hereunder as and when the same become due, and as may be necessary to provide for the operation and maintenance and repairs of the Project, and depreciation, and the Rate Resolution shall be revised from time to time so as to produce these amounts. The City hereby reserves the right to determine on a periodic basis the appropriate allocation of operation and maintenance expenses, depreciation, repair and reserves associated with the facilities financed with the Revenue Bond, provided that such determination of allocable operation and maintenance expenses shall in no event abrogate, abridge or otherwise contravene the covenant of the City set forth in this Section 3 or any other covenant or agreement in the Loan Agreement.

SECTION 4. Special Charge or Surcharge for Revenue Bond. The City does hereby create the Revenue Bond Special-Surcharge District (the “Surcharge District”) which shall include all users which benefit from the Project. There shall be charged a special charge or surcharge pursuant to Section 15 of the Act for the services provided by Project financed by the Revenue Bond. The special charge or surcharge shall be segregated from other revenues of the System and shall be used for the payment of the Revenue Bond. The special charge or 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 and shall be 110% of the debt service requirements on the Revenue Bond.

4.1. Rates and collection. The rate herein specific will be collected as a special charge or surcharge for the Project. This special charge or surcharge shall remain in effect until such time as the Revenue Bond is defeased or paid in full.

4.2. Initial Surcharge. The initial special charge or surcharge shall be set by resolution and collected at the same time as other charges of the utility. All users within the Surcharge District which benefit from the Project, current and future, shall be charged the special charge or surcharge. The special charge or surcharge is found to be equitable for the services provided by the Project. The special charge or surcharge shall begin at such time as will produce sufficient revenue to pay principal, interest and Administrative Surcharge on the Revenue Bond when due.

4.3. Segregation. The Finance Officer shall set up bookkeeping accounts in accordance with South Dakota Legislative Audit guidelines for the segregation of the revenue, special charges and surcharges.

4.4. Periodic review. The amount of the surcharge shall be reviewed from time to time, not less than yearly, and shall be modified in order to produce such funds as are necessary and required to comply with the Loan Agreement’s rate covenant and to pay principal of, interest and Administrative Surcharge on the Revenue Bond when due. The

surcharge may be set by resolution in accordance with this Section. The rate resolution shall be necessary for the support of government and shall be effective upon passage.

SECTION 5. Additional Bonds. As permitted by Sections 8 and 9 of the Act, Additional Bonds payable from revenues and income of the System or Project may be issued, as permitted in the Loan Agreement, and no provision of this Resolution shall have the effect of restricting the issuance of, or impairing the lien of, such additional parity bonds with respect to the net revenues or income from the extensions, additions or improvements. The City shall have the right to issue additional bonds secured by a lien subordinate to the lien from the Revenue Bond pursuant to the Loan Agreement.

SECTION 6. Project Fund Accounts. For the purpose of application and proper allocation of the income of the Project and to secure the payment of principal, Administrative Surcharge and interest on the Revenue Bond, the following mandatory asset segregations shall be included in the water system account of the City and shall be used solely for the following respective purposes until payment in full of the principal, interest and Administrative Surcharge on the Revenue Bond:

6.1. Project Revenue Account. There shall be deposited periodically into the Project Revenue Account the net revenues as defined in Section 17 of the Act derived from the operation of the Project collected pursuant to the resolutions and ordinances of the City of Centerville, South Dakota (collectively the "Rate Resolution"). Moneys from the Project Revenue Account shall be transferred periodically into separate funds and accounts as provided below.

6.2. Project Debt Service Account. Out of the revenues in the Project Revenue Account, there shall be set aside no later than the 25th day of each month into the account designated Project Debt Service Account, a sum sufficient to provide for the payment as the same become due of the next maturing principal of, interest and Administrative Surcharge on the Revenue Bonds and any reserve determined by the City's governing body to be necessary. The amount set aside monthly shall be not less than one-third of the total principal, interest, and Administrative Surcharge payable on the following February 15, May 15, August 15 or November 15 and if there shall be any deficiency in the amount previously set aside, then the amount of such deficiency shall be added to the current requirement.

6.3. Depreciation Account. There shall be established a General Depreciation Account. Out of the revenues of the Project Revenue Account there shall be set aside each month into the General Depreciation Account an amount determined by the Common Council to be a proper and adequate amount for repair and depreciation of the Project.

6.4. Project Surplus Account. There shall be established the Project Surplus Account. Revenues remaining in the Project Revenue Account at the end of any fiscal year after all periodic transfers have been made therefrom as above required, shall be deemed to be surplus and shall be transferred to the Project Surplus Account. If at any time there shall exist any default in making any periodic transfer to the Project Debt Service Account, the Common Council shall authorize the City Finance Officer to rectify

such default so far as possible by the transfer of money from the Project Surplus Account. If any such default shall exist as to more than one account or fund at any time, then such transfer shall be made in the order such funds and accounts are listed above.

When not required to restore a current deficiency in the Project Debt Service Account, moneys in the Project Surplus Account from time to time may be used for any of the following purposes and not otherwise:

- (a) To redeem and prepay the Revenue Bond when and as such Revenue Bond becomes prepayable according to its terms;
- (b) To pay for repairs of or for the construction and installation of improvements or additions to the System; and, if the balances in the Project Debt Service Account and the Project Depreciation Account are sufficient to meet all payments required or reasonably anticipated to be made there from prior to the end of the then current fiscal year, then:
- (c) To be held as a reserve for redemption and prepayment of any bonds of the System which are not then but will later be prepayable according to their terms; or
- (d) To be used for any other authorized municipal purpose designated by the Common Council.
- (e) No moneys shall at any time be transferred from the Project Surplus Account or any other account of the Fund to any other fund of the City, nor shall such moneys at any time be loaned to other municipal funds or invested in warrants, special improvements bonds or other obligations payable from other funds, except as provided in this Section.

SECTION 7. Approval of Paying Agent/Registrar. The Revenue Bond shall be payable at the office of U.S. Bank National Association, St. Paul, Minnesota, hereby designated as paying agent and registrar.

SECTION 8. Approval of Bond Counsel. Meierhenry Sargent LLP is hereby retained as Bond Counsel with respect to the Revenue Bond.

SECTION 9. Tax Matters. The Interest on the Revenue Bond shall be excludable from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (“the Code”) and applicable Treasury Regulations (the “Regulations”).

SECTION 10. Covenants. The City hereby covenants and agrees with the District and other owners of the Revenue Bond as follows:

10.1. The City will punctually perform all duties with reference to the Project, the System and the Revenue Bond required by the constitution and laws of the State of South Dakota and by this Resolution.

10.2. The City agrees and covenants that it will promptly construct the improvements included in the Project.

10.3. The City covenants and agrees that pursuant to Sections 25 through 27 of the Act, the lawful holders of the Revenue Bond shall have a statutory mortgage lien upon the Project and the extensions, additions and improvements thereto acquired pursuant to the Act, until the payment in full of the principal, interest and Administrative Surcharge on the Revenue Bond, and the City agrees not to sell or otherwise dispose of the System, the Project, or any substantial part thereof, except as provided in the Loan Agreement and shall not establish, authorize or grant a franchise for the operation of any other utility supplying like products or services in competition therewith, or permit any person, firm or corporation to compete with it in the distribution of water for municipal, industrial, and domestic purposes within the City.

10.4. The City covenants and agrees with the District and other owners of the Revenue Bond that it will maintain the System in good condition and operate the same in an efficient manner and at a reasonable cost, so long as any portion of the Revenue Bond remains outstanding; that it will maintain insurance on the System for the benefit of the holders of the Revenue Bond in an amount which usually would be carried by private companies in a similar type of business; that it will prepare, keep and file records, statements and accounts as provided for in this Resolution and the Loan Agreement. The Revenue Bond shall refer expressly to this Resolution and the Act and shall state that it is subject to all provisions and limitations thereof pursuant to Section 19 of the Act.

SECTION 11. Depositories. The Finance Officer shall cause all moneys pertaining to the Funds and Accounts to be deposited as received with one or more banks which are duly qualified public depositories under the provisions of SDCL Ch. 4-6A, in a deposit account or accounts, which shall be maintained separate and apart from all other accounts of the City, so long as any of the Bonds and the interest thereon shall remain unpaid. Any of such moneys not necessary for immediate use may be deposited with such depository banks in savings or time deposits. No money shall at any time be withdrawn from such deposit accounts except for the purposes of the Funds and Accounts as authorized in this Resolution; except that moneys from time to time on hand in the Funds and Accounts may at any time, in the discretion of the City's governing body, be invested in securities permitted by the provisions of SDCL 4-5-6; provided, however, that the Depreciation Fund may be invested in such securities maturing not later than ten years from the date of the investment. Income received from the deposit or investment of moneys shall be credited to the Fund or Account from whose moneys the deposit was made or the investment was purchased, and handled and accounted for in the same manner as other moneys therein.

SECTION 12. Consent to Appointment. In the event of mismanagement of the Project, a default in the payment of the principal or interest of the Revenue Bond, or in any other condition thereof materially affecting the lawful holder of the Revenue Bond, or if the revenues of the Project are dissipated, wasted or diverted from their proper application as set forth in the Loan Agreement, Revenue Bond, or herein, the City hereby consents to the appointment of a receiver pursuant to Section 33 of the Act, and agrees that the receiver will have the powers set forth

therein, and in Sections 34 and 35 of the Act to operate and administer the Project, and charge and collect rates as described therein.

SECTION 13. Severability. If any section, paragraph, clause or provision of this Resolution, the Loan Agreement, the Revenue Bond, or any other Loan Document shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Resolution or said Loan Agreement, Revenue Bond, or any other Loan Document.

SECTION 14. Repeal of Resolution. At such time as the Project Revenue Bond is defeased or paid in full, this Resolution and the special charge or surcharge shall automatically be repealed without any further action of the City.

SECTION 15. Authorization of City Officials. The Mayor, Finance Officer, City Attorney and City officials shall be and they are hereby authorized to execute and deliver for and on behalf of the City any and all other certificates, documents or other papers and to perform such other acts as they may deem necessary or appropriate in order to implement and carry out the actions authorized herein.

SECTION 16. Effective Date. This Resolution shall take effect on the 20th day following its publication, unless suspended by a referendum.

Adopted at Centerville, South Dakota, this 7th day of August 2023.

APPROVED:

Mayor

(SEAL)

Attest: _____
City Finance Officer

Adopted: August 7, 2023
Published: August 10, 2023
Effective: August 30, 2023

J. Krebs moved and V. Sikkink seconded to approve the second reading of Ordinance 2023-05 Duty to maintain drain inlets and gutters. Motion carried. Unanimous.

ORDINANCE NO. 2023-5

AN ORDINANCE OF THE CITY OF CENTERVILLE, SD, AMENDING THE MUNICIPAL ORDINANCES OF THE CITY BY ADDING TITLE V: PUBLIC WORKS, CHAPTER 52: MUNICIPAL SEWER, SECTION 52.11: DUTY TO MAINTAIN DRAIN INLETS AND GUTTERS.

BE IT ORDAINED BY THE CITY OF CENTERVILLE, SD:

Section 1. That Section 52.11 of the Municipal Ordinances of Centerville, SD, is hereby added and shall read as follows:

§ 52.11 – DUTY TO MAINTAIN STORM DRAIN INLETS AND GUTTERS.

Owners of properties fronting a city right-of-way shall maintain and keep the storm drain inlets and gutters adjacent to their property free of garbage, debris, leaves, dirt, and other objects capable of obstructing storm water runoff. The owner shall remove debris, leaves, dirt, and such other objects from the drain inlets and gutters adjacent to their properties and dispose of such in applicable receptacles maintained as required for the disposal of solid wastes. See Chapter 50.

Adopted this 7th day of August, 2023.

Mayor

ATTEST:

Finance Officer

Seal

First Reading: July 10, 2023

Second Reading & Adoption: August 7, 2023

Publication: August 17, 2023

Effective Date: September 6, 2023

Published once at the approximate cost of _____.

Boulevard: Mayor Austin and C. Sikkink discussed the accident that happened at the end of the north boulevard. C. Sikkink shared that the light pole, which was ran over, is an old fashion lamp post and they are hard to find. Discussion was had to shorten the Boulevard to allow more room for semi-trucks to make the turn without cutting into the corner.

Garbage: Commercial garbage was discussed on Broadway as the garbage cans are continuously full and the garbage blows out of the containers. K. Voegeli shared that she contacted Vermillion Garbage through email several time and the garbage’s still remain full and not collected on a timely manner. K. Voegeli shared two quotes, one from Loren Fisher Disposal and one from A-OK Sanitary. No decision was made to change garbage service at this time. C. Sikkink stated that the city should move forward with their own city garbage service. K. Voegeli stated that she has the Ordinance in place to move forward with this project, we just need to look into a garbage truck and containers.

Police Chief Clark gave the monthly police report for July:

July 2023		
46 Calls for service/disturbance	2 Well-being checks	11 Traffic stops
2 Motor vehicle crash report	2 Arrests	5 Assists for fire/ambulance calls
2 Domestic dispute call	2 Mental health incidents	5 Animal calls

Chief Clark stated that the Tornado Days celebration was well attended and peaceful, although we had several underage drinking incidents. Chief Clark shared that he will be asking for additional coverage over Tornado Days next year. This would help eliminate the underage drinking and fake identifications.

Economic Development: J. Hybertson touched on the highlights from his Economic Development report. Report is available at City Hall or on the city website.

Senior Center: J. Hybertson put together a flyer that is requesting proposals for the Centerville Senior Center Building. The Centerville Development Corporation is seeking proposals from parties with interest in buying or leasing the Senior Center Building for a new downtown business.

J. Hybertson shared an invoice from A R Laska Inc. for the installation of a transformer at the Park. Mayor Austin said the city would pay half of the cost (\$1926.43) \$964.00 (nine hundred sixty four dollars) and the Economic Development Corporation will pay the other half.

Finance. K. Voegeli presented the revenue/expense report for July 2023 and the July 2023 bank statements.

Budget: K. Voegeli reported an estimate of the expenses of the municipality and the revenue necessary to be raised for the 2024 budget. The annual appropriation ordinance will be introduced at the next regular council meeting.

V. Sikkink moved and K. Strand seconded to approve the first reading of Supplemental Ordinance 2023-6. Motion carried. Unanimous.

ROCS: The city received a request from ROCS Transit for a transportation match of \$1,000.00. K. Voegeli added that the cities last donation to them was in 2012. No action was taken on the request.

Code Enforcement – K. Voegeli stated that Code Enforcement has been running smoothly and we continue to work on properties to get them into compliance.

Holiday – Office will be closed for Labor Day, Monday, September 4, 2023.

Mayor Austin set the next regular council meeting at 5:30 p.m. on Tuesday, September 5, 2023.

There being no further matters to discuss, C. Lunning moved and V. Sikkink seconded the meeting be adjourned. Motion carried. Unanimous. Meeting adjourned at 7:09 p.m.

Kent Austin, Mayor

Attest: _____
Finance Officer