

CITY OF BIG STONE CITY

Big Stone City, South Dakota

March 7, 2016

7:00 p.m.

The Big Stone City council met in regular session on Monday March 7, 2016 meeting began at 7:00 p.m. with Mayor Wiik presiding. Roll Call: Athey, Hanson, Rabe, Gulley, Baerwaldt and Henderson. Others present: City Attorney William E. Coester, Robert Athey, Robert Goergen, Donna Van Hout, Dennis "Mike" Olson and Missy McMahon.

The Pledge of Allegiance and the South Dakota State Pledge were recited. Motion to accept the minutes from the May meeting was made by Gulley and seconded by Henderson All in favor, motion carried.

The following claims were presented for payment.

Dept. of Energy	\$25,027.19	Charges for Services
Missouri River Energy Services	\$10,849.00	Charges for Services
Missouri River Energy Services	\$26,000.78	Charges for Services
SD Dept. of Revenue	\$5,726.97	Sales Tax
SD Dept. of Revenue	\$1,884.09	Sales Tax
Midco Business	\$427.55	Charges for Services
SD One Call	\$12.32	One Call
Hartman's Supervalu Foods	\$176.33	Supplies
The Grant County Review	\$157.37	Liquor Store Ads
Valley Office Products	\$23.01	Electric-Gloves
Ortonville Independent	\$222.05	Liquor Store Ads
CHS Border States	\$450.00	Diesel
KPHR	\$70.00	Liquor Store Ads
WorldPay	\$159.82	Credit Card Fees
SDCS	\$457.38	Payroll Withholding
IRS	\$3,054.15	Payroll Taxes
Jacobson Tree Experts	\$1,500.00	Tree Removal
Todd Sandberg	\$300.00	Liquor Store-Entertainment
SD Retirement	\$2,788.12	Retirement
Postmaster	\$110.25	Monthly UB
Aflac	\$105.40	Insurance
Waste Management	\$3,687.50	Charges for Services
Midco Business	\$79.70	Sewer Lift Stations
Rural Development	\$4,108.00	Sewer Loan
Tyler Computer	\$205.00	Repairs
MRES	\$14,593.65	Misc. Services
Terex	\$1,129.79	Boom Truck Annual Inspection
SD Dept. of Labor	\$79.80	Interest
Avera	\$58.90	Services
Nate's Net	\$300.00	Internet
Banyon	\$795.00	UB Support
Pizza Corner	\$120.00	Rent
Verizon Wireless	\$158.56	Internet/Cell phone

Nelson Electric	\$65.00	Liquor Store
Dakota Care	\$6,774.93	Health Insurance
Valley Office Products	\$67.17	Office Supplies
GFP Licensing	\$340.00	Fishing/Hunting
Postmaster	\$22.95	Water Testing
Postmaster	\$225.00	Annual Fee
Payment Remittance Center	\$76.27	Computer
Payment Remittance Center	\$12.04	Supplies
Payment Remittance Center	\$34.96	Police Supplies
Resco	\$16,775.60	Electric/Street Supplies
Amaril	\$92.77	Electric
Ortonville Independent	\$150.90	Liquor Store
Waste Management	\$3,760.71	Charges for Services
Xerox	\$547.38	Finance Office
Main Street Service	\$60.00	Police
Coester Law Office	\$721.20	Legal
Momar	\$187.16	Misc. Supplies
Irby	\$11,214.00	West Substation
IRS	\$3,053.43	Payroll Taxes
SDCS	\$457.38	Payroll Withholding
Donna Van Hout	\$44.00	SDML District Meeting
Quill	\$109.84	Misc. Supplies
Granite Ice	\$50.00	Liquor Store
Pepsi	\$538.70	Liquor Store
Coca-Cola	\$48.75	Liquor Store
Harry's Frozen Food	\$114.50	Pizza
Northwest Energy	\$152.87	Charges for Services
Pizza Corner	\$543.00	Pizza
Republic National	\$3,202.15	On/Off Sale Liquor
Johnson Brothers	\$1,143.17	On/Off Sale Liquor
Ellwein Brothers	\$10,231.00	On/Off Sale Beer
Porter Dist.	\$1,840.90	On/Off Sale Beer
Principle Life	\$133.66	Life Insurance
Grant County Review	\$152.56	Liquor Store
CNASurety	\$541.80	Insurance
Farner Bocken	\$810.27	Liquor Store
Sturdevant Auto Parts	\$88.98	Misc. Supplies
City of Big Stone City	\$5,071.43	Utilities
Ronglien Excavating	\$175.12	SRTS/Streets
KDIO	\$240.00	Advertising
Hartman's Super Valu	\$68.25	Misc. Supplies
Midco Business	\$426.07	Utilities
MacDaddy's	\$520.02	Fuel
G&K Services	\$508.07	Cleaning Supplies
Plunkett's	\$38.69	Pest Control

Office Peeps	\$4.51	Office Supplies
Wesco	\$3,774.03	Electric/Street Lighting
MRES	\$151.05	Infrared Inspection
Irby	\$17,436.00	Electric Supplies
Border States Electric	\$187.87	Electric Supplies
Border States Electric	\$6,205.14	Electric Supplies
General Fund	\$11,987.27	February Payroll
Liquor Fund	\$6,654.04	February Payroll
Water Fund	\$1,407.43	February Payroll
Electric Fund	\$3,842.29	February Payroll
Sewer Fund	<u>\$956.74</u>	February Payroll
	\$24,847.77	

Motion to pay the presented claims was made by Baerwaldt and seconded by Athey. Voting in favor: Athey, Hanson, Rabe, Gulley, Henderson and Baerwaldt. Motion carried.

Dennis “Mike” Olson attended the council meeting. He explained his code enforcement services to the council and the work he is doing with other cities. He would start by going through the cities ordinances. Mike answered the council’s questions. He left the meeting at 7:30.

Missy McMahon attended the meeting to express several concerns. She addressed each concern and a discussion was held on the different issues’. The liquor community will follow up on the concerns.

A motion was made by Hanson to adopt the following resolution. Motion was seconded by Gulley.

Resolution to Approve
**Amendment 1 to the Northern Cities Group
Transmission Service Agreement**

WHEREAS, the City Council of Big Stone City (“City”), South Dakota, is currently purchasing all electric power and energy it requires to meet the needs of its customers in excess of City’s firm power allocation from the Western Area Power Administration (“WAPA”) (“Supplemental Power”) from Missouri Basin Municipal Power Agency d/b/a Missouri River Energy Services (“MRES”), pursuant to the terms and conditions of the Power Sale Agreement (S-1) (“S-1 Agreement”) for a term extending through December 31, 2045; and

WHEREAS, on January 4, 2016, the City approved the Amendment 5 to the S-1 Agreement, the S-1 Agreement (as amended and restated effective January 2, 2017), the Midwest ISO Market Implementation Agreement between MRES and City, and related agreements, which requires that MRES physically deliver Supplemental Power to City over the Integrated System (“IS”) transmission facilities administered by WAPA; and

WHEREAS, MRES has assisted City to obtain delivery of power and energy by acquiring transmission service within the Midcontinent Independent System Operator, Inc. (“MISO”) Regional Transmission Organization (“RTO”) and, to facilitate such services, the parties also

executed the Northern Cities Group Transmission Service Agreement (NCG TSA) among MRES, Western Minnesota Municipal Power Agency ("Western Minnesota"), and City; and

WHEREAS, the market changes that require Supplemental Power to be separated from Transmission Service has caused the S-1 Agreement to be amended to separately provide Transmission Service that will include the service previously provided pursuant to the NCG TSA, making the separate NCG TSA unnecessary after the effective date of the amended S-1 Agreement; and

WHEREAS, the City desires that MRES continue to plan for, provide, and arrange for delivery of all Supplemental Power and Transmission Service needed by City.

NOW THEREFORE, BE IT RESOLVED by the City Council of Big Stone City that the "Amendment 1 to the Northern Cities Group Transmission Service Agreement" among MRES, Western Minnesota, and City is approved in the form presented.

IT IS FURTHER RESOLVED that each of the Mayor and the Finance Officer shall be, and each of them acting individually hereby is, authorized and directed to execute and deliver to MRES each of the foregoing documents on behalf of Big Stone City.

Upon calling of the roll, the votes were as follows:

Ayes/Voting in favor of adoption of the Resolution: Henderson, Athey, Hanson, Rabe, Gulley, & Baerwaldt.

Nays/Voting against adoption of the Resolution: None

The Mayor declared the Resolution duly adopted on the 7th day of March

The City received a Distribution Maintenance Supplemental Service Agreement from Missouri River Energy Service. The Utility Manager, Electric Department and the Electric Committee had met previously and discussed the agreement. Duane went over the information and Utility Manager Athey added that he does appreciate what MRES does for the city. Mr. Coester had a few questions on the agreement and recommended that he contact MRES and discuss the agreement with their legal department before the council makes a decision. A motion was made by Henderson to table the decision until Mr. Coester has had a chance to contact MRES. Motion was seconded by Gulley. All in favor, motion carried.

The City has been working with the City of Ortonville on an extension on the water contract between the two cities. After a lengthy discussion, Mr. Coester recommended that the council approve the contract with the modification of removing all references to the 100,000 gallon a day restriction. A motion was made by Hanson to approve the water contract from Ortonville with the modifications recommended by Mr. Coester. Motion was seconded by Baerwaldt. Voting in favor: Henderson, Athey, Hanson, Rabe, Gulley, and Baerwaldt.

There was a question on a bill received from the City of Ortonville. A motion was made by Hanson to pay the bill. Motion was seconded by Gulley. Voting in favor: Henderson, Athey, Hanson, Rabe, Gulley, and Baerwaldt.

The Street Department reported on seal coating and over-laying for 2016. A motion was made by Gulley and seconded by Hanson to advertise for bids for the upcoming construction season with bid opening to be held April 4th. Motion carried.

One application was received for the 2016 Summer Rec Director position. After a brief discussion, a motion was made by Hanson to hire Lori Seidell at the wage of \$1500.00 for the summer and an allowance of \$500.00 to use as compensation at her discrepancy. Motion was seconded by Rabe. Voting in favor: Henderson, Athey, Hanson, Rabe, Gulley, and Baerwaldt.

The City received proposals from two CPA firms to conduct an audit for 2014-2015. A motion was made by Hanson to hire Eide Bailly for the city's 2014-2015 audit. Motion was seconded by Gulley. Voting in favor: Henderson, Hanson, Athey, Rabe, Gulley and Baerwaldt.

Councilmen Athey opened a discussion on hiring Mike Olson for code enforcement. After a lengthy discussion, it was decided to do the code enforcement in phases. A motion was made by Athey to hire Mike Olson for the first phase, which would involve updating the city's ordinance on nuisance properties. Motion was seconded by Rabe. Voting in favor: Henderson, Hanson, Athey, Rabe and Baerwaldt. Voting against: Gulley. Motion carried.

Being no further business a motion to adjourn the meeting was made by Baerwaldt and seconded by Gulley. Motion carried.

ATTEST:

Deb Wiik, Mayor

Donna Van Hout, Finance Officer