

City of Alcester
Regular Meeting Minutes
August 20th, 2024

Council President Reppe called the meeting to order at 6:00 PM.

Council members present: Darla Reppe, Kerry Hedden, Julia Sundstrom, Kendra Hatle, and Brian Johnson.

Others Present: Finance Officer David Hodgson, Paxtyn Moller, Emma Moller, Dean Moller, Tamara Moller, and Lisa Hodgson

The Pledge of Allegiance was recited.

B Johnson moved and J Sundstrom seconded to approve the agenda as presented. Motion carried. Unanimous.

No candidates presented themselves for the open Ward I Alderman seat or for Mayor at this time.

K Hedden moved and B Johnson seconded to approve the meeting minutes from August 6th. Motion carried. Unanimous

For public input Lisa Hodgson addressed the council with concerns from the public regarding the clubhouse being closed on Monday's and the potential lost revenue to the city. No other public input provided.

Finance Officer Hodgson read a special declaration from the City Council and D Reppe presented Paxtyn Moller with \$100 donation for her trip to Orlando for the National American Miss Teen competition.

No legal updates at this time.

For Resolution 2024-09 IM28 Opposition Finance Officer gave background on IM2 and the potential loss of revenue to the City if this measure is passed. After discussion K Hatle moved and D Reppe seconded to adopt Resolution 2024-09 IM28 Opposition. Motion Carried. Unanimous.

RESOLUTION NO. 2024-09

WHEREAS, Initiated Measure 28 was certified for the November 2024 General Election Ballot by the South Dakota Secretary of State;

WHEREAS, Initiated Measure 28, if passed, would remove state, municipal and tribal taxes on all items sold for human consumption except alcohol and prepared food;

WHEREAS, "human consumption" is undefined in South Dakota Codified Law or the South Dakota Constitution. Black's Law Dictionary defines "consumption" as "the act of destroying a thing by using it; the use of a thing in a way that exhausts it.";

WHEREAS, South Dakota Codified Law 34-45-1(7) defines tobacco products as "any item made of tobacco intended for human consumption, including cigarettes, cigars, pipe tobacco, and smokeless tobacco, and vapor products as defined in § 34-46-20.";

WHEREAS, South Dakota Codified Law 10-52-2 allows incorporated municipalities to impose a tax on the sale, use, storage and consumption of items that conform in all respects to the state tax on such items up to two percent;

WHEREAS, Initiated Measure 28 is in direct conflict with existing state law and the Attorney General's explanation of the measure states legislative or judicial clarification would be needed if the measure passes;

WHEREAS, The City of Alcester levies a two-percent sales tax and collected \$227,081.98 in the 2023 fiscal year and \$133,917.20 year-to-date in the 2024 fiscal year;

WHEREAS, The City of Alcester estimates annual lost revenue of \$52,763.38 unless Initiated Measure 28 is rejected by voters in South Dakota;

NOW, THEREFORE, BE IT RESOLVED, by the Alcester City Council in and for the City of Alcester, Union County, South Dakota, that Initiated Measure 28 would negatively impact our community and its residents.

For Resolution 2024-10 Special Maintenance Fee for the Maintenance of Street Surfaces K Hatle discussed the ongoing need for funding the improvement needs of the city but is hoping that going forward the city can look to discontinue some of the additional fees and charges to the citizens. After further discussion K Hatle moved and J Sundstrom seconded to adopt Resolution 2024-10 Special Maintenance Fee for the Maintenance of Street Surfaces. Motion Carried. Unanimous.

SPECIAL MAINTENANCE FEE
RESOLUTION NO. 2024-10

A RESOLUTION OF THE CITY OF ALCESTER TO LEVY AN ANNUAL SPECIAL MAINTENANCE FEE IN 2025 FOR THE MAINTENANCE OF STREET SURFACES WITHIN THE CITY PURSUANT TO SDCL 9-43-138

WHEREAS, SDCL 9-43-138 provides for the assessment of a special maintenance fee for the maintenance or repair of public improvements, including street surfaces, of lots fronting and abutting any improvement within the municipality that is maintained by the municipality; and

WHEREAS, the City of Alcester maintains and repairs street surfaces on the public streets within city limits; and

WHEREAS, the budget committee of the city council and the city council as a whole have discussed the maintenance fee required to fund annual maintenance activities in fiscal year 2025 on public streets; and

WHEREAS, the city council finds it necessary to levy a special maintenance fee for the maintenance and repair of streets within the City of Alcester;

NOW, THEREFORE, BE IT RESOLVED by the Alcester City Council that, pursuant to SDCL 9-43-138, the city shall levy a special maintenance fee for the maintenance and repair of streets upon all taxable lots fronting and abutting any streets within the city as follows:

1. All lots to be assessed shall be assessed at the rate of \$1.00 per front foot.
2. In the case of corner lots, only the front footage abutting the street to which the front door of the property faces shall be assessed. In the event there is no structure on the corner lot, the longer street frontage of the lot shall be assessed.
3. All lots exempt from tax, pursuant to SDCL Chapter 10-6A and Section 10-6-110, which owners have applied for and obtained a property tax exemption from the Union County Director of Equalization are not subject to the special maintenance fee.
4. A detailed list of the legal descriptions, amount of front footage, and the amount of assessment shall be provided to the Union County Treasurer by the Alcester finance officer, to add the special maintenance fee to the general assessment against the property and to certify the fee assessed together with the regular assessment to the Union County Auditor to be collected in the same manner as municipal taxes are collected for general purposes.

BE IT FURTHER RESOLVED that all revenue received from the special maintenance fee shall be placed in a special revenue fund entitled "Street Maintenance Fund" for the maintenance and repair of public streets.

D Reppe moved and K Hatle seconded to enter into Executive Session pursuant to SDCL 1-25-2(1) Personnel. Motion carried. Unanimous. Council was declared in Executive Session at 6:20pm. Council was declared out of Executive Session at 7:06pm. No action taken.

K Hatle moved and K Hedden seconded to approve signing the Lew's Firework's Display contract for Homecoming Fireworks. Motion carried. Unanimous.

Finance Officer Hodgson presented the July financial report. Finance Officer Hodgson presented a Media policy for City Employees, after discussion K Hatle moved and B Johnson seconded to adopt the media policy for inclusion into the City Personnel Policy. Motion carried. Unanimous. Finance Officer Hodgson then presented a Safety Manual for City employees, after discussion B Johnson moved and J Sundstrom seconded to adopt Safety Manual for the City Personnel Policy. Motion carried. Unanimous.

B Johnson moved and K Hatle seconded to approve renewal of ACH agreement with Premier Bank for the direct deposit of city payroll. Motion carried. Unanimous.

Attorney Felts presented the Building Code Officer contract with Gary Roan and explained. After discussion B Johnson moved and J Sundstrom seconded to approve the contract as presented. Motion carried. Unanimous.

K Hatle presented Resolution 2024-11 extending the water surcharge through 2025. After discussion J Sundstrom moved and K Hatle seconded to approve Resolution 2024-11 Extending Water Surcharge. Motion carried. Unanimous.

RESOLUTION NO. 2024-11

A RESOLUTION OF THE CITY OF ALCESTER TO ADJUST THE CURRENT RATES CHARGED FOR USAGE OF THE CITY'S WATER SYSTEM

WHEREAS, the City of Alcester owns and operates a Municipal water system pursuant to SDCL Chapter 9-47; and

WHEREAS, the Alcester City Council may, by resolution and pursuant to Ordinance 8.0103 of the Revised Municipal Ordinances, City of Alcester (2014), set rates for the use of utilities; and

WHEREAS, the Alcester City Council has deemed it necessary and in the public interest to upgrade the city's water system with radio-readable water meters on all hookups; and

WHEREAS, the cost of the upgrade to the system is approximately \$171,000.00; and

WHEREAS, it is necessary to continue the adjusted monthly residential rate charged for water use by adding a \$5.00 surcharge for 2025 to cover the costs of the upgrade,

NOW, THEREFORE, BE IT RESOLVED by the Alcester City Council in and for the City of Alcester, Union County, South Dakota as follows:

- 1) There is hereby created a separate surcharge rate for payment or repayment of the costs of upgrading hookups to the city's water system with radio-readable meters.
- 2) There is hereby created a separate fund which shall be used to segregate the surcharge funds from other water-related charges and fees collected by the City.
- 3) The surcharge rate shall be set at \$5.00 per month.
- 4) The effective date of the above rate adjustment shall be January 1, 2025.

Finance Officer Hodgson then gave an update on the progress of the water meter upgrade project. Turner Plumbing has been contracted to install upgraded meters throughout the city. Update was then given on the new online bill notification and payment system. This is planned to go live Wednesday, August 21st. Citizens are encouraged to sign up for this service.

For reminders citizen are reminded of the new utility bill date of the 20th of each month as well as the new sewer surcharge starting on October bills. Fall clean up will be September 13th through September 20th and a reminder the City Office will be closed Monday, September 2nd in observance of Labor Day.

CITY OF ALCESTER, SOUTH DAKOTA

_____/s/_____
Darla Reppe, Council President

ATTEST:

_____/s/_____
David Hodgson, Finance Officer