

Unapproved Minutes
Langford Board of Trustees
December, 2016

The Langford Board of Trustees met in regular session on Monday, December 12, 2016 at the Finance Office. President Todd Sell called the meeting to order at 6:07 p.m. with Trustee Orrie Jesz, Assistant Utilities Manager Joe Keough, and Finance Officer Melody Swearingen in attendance, along with Toni Brown, Principal of Langford Area School District, and Gabriel Laber, Professional Engineer from DGR Engineering, also in attendance.

Brown addressed the council regarding the digital sign that will be installed at the southeast corner of the Park of the Pines. The trees in the park would interrupt internet service from the school to the sign. Sell made a motion to allow the school to install an antenna on the Community Building, at their expense, and use the City's wireless internet service at no expense; seconded by Jesz; motion carried. Brown left the meeting at 6:15 p.m.

Sell made a motion to approve the November meeting minutes; seconded by Jesz; motion carried.

FINANCE OFFICER REPORT: November ended with a net gain of \$15,037.74, and a year-to-date net loss of \$63,804.48 (due to the chip seal project which was paid for with cash reserves). Sell made a motion to approve the financial report; seconded by Jesz; motion carried.

The council reviewed the year-to-date budget comparison. Sell made a motion to move funds from the Contingency Fund within the General Fund to the following line items within the General Fund: \$1,000.00 to Finance Office; \$1,000.00 to Fire Dept; and \$1,000.00 to Library; seconded by Jesz; motion carried.

Swearingen reported on a recent USDA Rural Development compliance audit and the requirement for a third-party accessibility evaluation.

UTILITIES MANAGER REPORT: Keough reported on the repairs completed at the lift station two weeks ago.

Keough reported that the Maint Dept will be upgrading cell phones soon.

OLD BUSINESS:

Load management system replacement – Computer hardware upgrades completed at a total cost of \$1,787.00.

NEW BUSINESS:

2017 Liquor Agreement between Langford Main Street Center, Inc. d/b/a The Front Porch and Town of Langford was approved. Liquor license renewal application process is complete.

Swearingen reported that the liquor license renewal application process for Swede's Corner is not yet complete due to pending issues with the 2017 Liquor Agreement.

Establishment of Policy/Procedures for AFLAC Group – the group was established in November with a December 1st start date.

The engagement letters for the 2016 audit were reviewed and signed. The audit is tentatively scheduled for February 20, 2017.

Cell phone service enhancement – we will research possibilities of enhancing cell phone reception for emergency services.

PUBLIC HEARING FOR WATER SYSTEM RENOVATION PROJECT – Jennifer Seitsema from NECOG joined the meeting at 7:00 p.m.

The need for the project: The Town of Langford's water system has significant water loss and the water meters have outlived their useful life and replacement parts are no longer available.

Alternatives: The city has considered several alternatives as outlined in the facilities plan and facilities plan amendment completed by Helms & Associates. Additional alternatives have been

provided by DGR. Doing nothing was considered as an alternative, however doing nothing will not address the issues and is not considered a viable option.

Project: The City is proposing to replace all ACP pipe and all of the old meters throughout town, which will include a remote read system and computer programming. The City is also proposing to make improvements to the elevated storage tank.

Proposed Financing: The Town of Langford is applying to the South Dakota Department of Environment and Natural Resources for grant, loan, principal forgiveness loan, or a combination of each.

The maximum amount of SRF loan to be borrowed: up to \$1,921,000.

The revenue source pledged for repayment: Project Surcharge Revenue Bond. Discussion of general obligation bond, sales tax bond, and wastewater revenue bond were also explained.

Interest Rate and Term: the note will be for up to 0.00% at a term no greater than 30 years.

The effect of the proposed financing on user rates: If the funding is entirely loan, the City would need to incorporate a surcharge of \$27.82 (annual debt service is \$64,033 times 1.1 DCR equals \$70,426, divided by 211 users, divided by 12 months) per user per month based on zero percent interest for 30 years. The surcharge rates will be determined after the funding package has been put in place. The project surcharge will be lower if DENR awards grants or principle forgiveness.

Jesz made a motion to approve a resolution authorizing the application for financial assistance, the execution and submittal of the application, and the designation of an authorized representative to certify and sign payment requests; seconded by Sell; motion carried (printed in its entirety below).

Setisema and Laber left the meeting at 8:00 p.m.

CORRESPONDENCE: SD DENR notice to issue permit under General Surface Water Discharge Permit SDG92000.

NOVEMBER DISBURSEMENTS: Jesz made a motion to approve the November disbursements; seconded by Sell; motion carried. SD DOR \$1,613.35 (Oct sales tax); Meyer's Hardware Hank \$62.90 (elec supplies); Langford Bugle \$68.10 (publications); BDM \$1,906.00 (water); DaMar Farmer's Elevator \$430.31 (propane/gasoline); Langford Lumber \$812.16 (park shelter supplies); Runnings \$30.83 (elec supplies); SD Govt Finance Office Assoc \$40.00 (2017 dues); SD Govt Human Resources Assoc \$30.00 (2017 dues); SD Municipal Street Maint Assoc \$35.00 (2017 dues); SD Association of Code Enforcement \$40.00 (2017 dues); Blair Healy \$278.88 (travel); Newport Metal \$109.83 (supplies); SD Municipal League \$434.40 (2017 dues); Lehr Sanitation \$5,300.00 (Sept/Oct services + dump box); Marshall Land and Title Co. \$165.00 (2017 weekly report); Heartland \$4,811.39 (power); SD One Call \$4.20 (message fees); Verizon Wireless \$148.04 (cell phone fees); Cardmember Services \$13.95 (FO supplies); Langford Town & Country Club \$100.00 (Santa Day contribution); DGR Engineering \$830.50 (elec system mapping/analysis fees); NorthWestern Energy \$1,962.48 (transmission fees); WAPA \$7,507.18 (power); Venture Communications \$553.41 (phone/fax/internet); SD DOR \$147.00 (lab fees); SD Supplemental Retirement \$350.00 (employee contributions); Olson Farms \$298.25 (gravel hauling); Town of Langford \$1,387.43 (utilities); Health Pool of SD \$3,060.22 (med ins premium, includes employee contributions); USDA Rural Development \$2,776.00 (sewer renovation loan payment); Maxwell Electric, LLC \$529.24 (demand control system repairs); Jensen Auto Service \$330.95 (maint fees); SD Municipal Electric Assoc \$320.00 (2017 dues); ECPH \$46.94 (parts – this check will be voided / paid by credit card); EFTPS \$2,636.83 (Nov 941 tax); Melody Swearingen \$25.00 (cell phone reimbursement); SD Retirement \$1,303.38 (employee & employer contributions); Carlson Crushing & Excavating, Inc. \$233.42 (gravel); BDM Rural Water System, Inc. \$1,626.00 (water); Wages by Dept: Board \$275.00; Finance Office \$595.72; Streets \$1576.60; Garbage \$2,172.29; Library \$627.00; Water \$2,172.29; Electric \$2,172.31; Sewer \$2,172.28.

The next regular session is scheduled for Monday, January 9, 2016 at 6:00 p.m. at the Finance Office.

The council members entered executive session at 8:35 p.m. for the purpose of employee reviews, and resumed regular session at 9:05 p.m.

The meeting adjourned at 9:05 p.m.

ATTEST: Todd Sell, Board President; Melody Swearingen, Finance Officer

RESOLUTION AUTHORIZING AN APPLICATION FOR FINANCEAL ASSISTANCE, AUTHORIZING THE EXECUTION AND SUBMITTAL OF THE APPLICATION, AND DESIGNATING AN AUTHORIZED REPRESENTATIVE TO CERTIFY AND SIGN PAYMENT REQUESTS.

WHEREAS, the Town of Langford has determined it is necessary to proceed with improvements to its Drinking Water System, including but not limited to water line replacement, water storage improvements, and water meter replacement with mobile reading system and program installation; and

WHEREAS, the City has determined that financial assistance will be necessary to undertake the Project and an application for financial assistance to the South Dakota Board of Water and Natural Resources (the "Board") will be prepared; and

WHEREAS, it is necessary to designate an authorized representative to execute and submit the Application on behalf of the City and to certify and sign payment requests in the event financial assistance is awarded for the Project,

NOW THEREFORE BE IT RESOLVED by the City as follows:

1. The City hereby approves the submission of an Application for financial assistance in an amount not to exceed \$1,921,000.00 to the South Dakota Board of Water and Natural Resources for the Project.
2. The Board President is hereby authorized to execute the Application and submit it to the South Dakota Board of Water and Natural Resources, and to execute and deliver such other documents and perform all acts necessary to effectuate the Application for financial assistance.
3. The Board President is hereby designated as the authorized representative of the City to do all things on its behalf to certify and sign payment requests in the event financial assistance is awarded for the Project.

Adopted at Town of Langford, South Dakota, this 12th day of December, 2016.

Signed: Tod Sell, President / Melody Swearingen, Finance Officer

