

# City of Flandreau City Council Meeting

## Agenda

6:30 p.m., Tuesday  
December 3<sup>rd</sup>, 2019  
City Council Chambers  
1005 W. Elm Avenue  
Flandreau, SD

Meeting called by: Mayor Bonrud

Type of meeting: Regular

### Agenda topics

#### Pledge of Allegiance

Karen Gundvaldson

2 Adopt Agenda

2 Approve Minutes – November 18<sup>th</sup>, 2019

2 Approve Bills for City

#### Administrative Reports

5 Mayor's Report

Mayor Bonrud

5 City Administrator's Report

Jeff Pederson

#### Approve Administrative Reports

#### Old Business

None

#### New Business

10 Resolution 2019-15, Authorizing the Refunding and Issuance of Electric Revenue Bonds

2 Resolution 2019-16, Approve Plat of Lots 3A and 4A of Flandreau Industrial Park Second Addition

- 5 Resolution 2019-17, Transfer from Contingency Fund
- 5 First Reading of Ordinance 592, Supplemental Appropriation Ordinance
- 2 Contract with MRES for Administrative Services
- 2 Pay Request No. Four – Electric Distribution Improvements Project (Phase 4)
- 2 Pay Request No. One – Electric Distribution Meter Cutover Project (Phase 4)
- 2 Wage Increase – Randy Wilts

Public Comments

Council Comments

Executive Session (Personnel)

**Special notes:** Other business properly referred to the City Council.

Jeff Pederson  
City Administrator

**Distribution:**  
Mayor Bonrud  
Alderman Bjerke  
Alderman Pesall  
Alderman Sutton  
Alderman Tufty  
Alderman Unger  
Alderman Whitman

Cc:  
Newspaper: Moody County Enterprise  
Radio: Carol Kiecksee  
City Attorney: Corey Bruning

**CITY OF FLANDREAU  
1005 W. Elm Avenue  
Flandreau, SD 57028-1404**

**COUNCIL PROCEEDINGS  
November 18<sup>th</sup>, 2019**

The City Council of the City of Flandreau, South Dakota, met in regular session on Monday, November 18<sup>th</sup>, 2019 at 6:30 p.m. at the City Council Chambers, 1005 W. Elm Avenue, Flandreau, SD.

Present: Mayor Mark Bonrud (6:45 p.m.). Aldermen: Brad Bjerke, Bob Pesall, Dan Sutton, Karen Tufty, Jason Unger, and Donald Whitman. Absent: None. Also present were City Administrator Jeff Pederson; Finance Officer Karen Gundvaldson; Karla Bjerke, Property Maintenance Codes Review Task Force; and Brenda Wade Schmidt, Moody County Enterprise.

The proposed agenda was reviewed. Motion by Unger and seconded by Tufty to adopt the proposed agenda. The following members voted aye: Bjerke, Pesall, Sutton, Tufty, Unger, and Whitman. Nays: None. Absent: None. Motion carried.

Motion by Unger and seconded by Bjerke to approve the minutes of November 4<sup>th</sup>, 2019. The following members voted aye: Bjerke, Pesall, Sutton, Tufty, Unger, and Whitman. Nays: None. Absent: None. Motion carried.

Motion by Whitman and seconded by Tufty to allow the following claims for the City and to pay them: (20709-20711) Payroll 11/06/2019: general, 20,442.66; 3<sup>rd</sup> penny, 227.56; water, 3,607.87; electric, 7,470.92; sewer, 3,169.01; airport, 179.96; solid waste, 514.22; (20742 VOID). (20743) Bechen Graphics & Design, sesquicentennial-2019, 2,458.00; Big Sioux Comm Water System, water purchase/usage, 13,809.23; Border States Electric Supply, electric distribution improvements, 128.55; Cardmember Services, supplies/conference, 3,323.53; Christiansen Complete Water, supplies, 25.04; Curt's Collision Center, repairs, 50.00; Ditch Witch of South Dakota, supplies, 578.38; Ekern Home Equipment, supplies/repairs, 990.47; Elite Business Systems, contract/supplies, 283.68; Eng Services, supplies, 653.67; Equipment Blades, supplies, 4,653.16; Farmers Implement & Irrigation, repairs, 1,605.54; FSST, utility taxes collected, 618.80; Galls, uniform, 270.98; GreatAmerica Financial SVCS, contract, 190.55; Hydro Klean, repairs, 4,158.00; Jaymar, supplies, 415.00; Kay Taylor-Cohon, rebate check, 25.00; Lucas Dailey, training, 139.03; Marc Burggraff, 12 foot snow dozer, 2,400.00; Maynards of Flandreau, supplies, 34.40; Metron-Farnier, service extension, 400.00; Moody County Auditor, contract, 14,500.00; Moody County Enterprise, advertising, 737.10; Patriot Electric, supplies, 8.08; Postmaster, postage, 265.00; Powerplan OIB, supplies, 470.72; Powers Oil Company, gas, 82.33; River's Edge Cooperative, gas, 1,732.12; Rudy's Welding & Machine Shop, repairs, 27.00; Schoenfish & Co., professional fees, 12,500.00; SD Dept. of Environment & Natural Resources, training, 10.00; SD Supplemental Plan, retirement, 322.31; Solomon Corp., transformer, 4,780.00; Sparkle Car Wash, vehicles, 70.83; Sturdevant's Auto Supply, supplies, 336.19; The Rescue Church, deposit refund, 250.00; United Systems Tech, contract, 5.68; Waxdahl NAPA Plus, supplies, 484.18; Wesco, wire, 6,996.08; Anthony Pieper, sesquicentennial-2019, 75.00; (20783). November Electronic Loan/Bond Payment: U.S. Bank St Paul, elect bond interest, 90,015.00; October EFT'S: Dakotacare, health insurance, 19,960.17; EFTPS, taxes, 18,248.74; Missouri River Energy Services, energy cost, 108,790.89; SD State Treas-Sales Tax, taxes, 11,240.26; US Department of Agriculture, water bond payment, 3,381.00. The following members voted aye:

Bjerke, Pesall, Sutton, Tufty, Unger, and Whitman. Nays: None. Absent: None. Motion carried.

The Mayor was absent during Administrative Reports.

City Administrator Pederson shared that procedures have begun to plot and expand the cemetery on the City-owned land on the west side of the cemetery. The budget will be supplemented or contingency funds will be used for associated costs. Today was the last working day for Street Superintendent Mike Fargen who is retiring after 42 years of service with the City; his expertise, knowledge and commitment to the City will be sorely missed.

Motion by Tufty and seconded by Whitman to approve the Administrative Reports. The following members voted aye: Bjerke, Pesall, Sutton, Tufty, Unger, and Whitman. Nays: None. Absent: None. Motion carried.

Old Business: None

New Business: Karla Bjerke, Property Maintenance Codes Review Task Force Committee Member, presented a report of the findings from the Committee's review, as well as recommendations for changes to existing codes and enforcement procedures going forward. Motion by Bjerke and seconded by Sutton to accept the Task Force Report as presented. The following members voted aye: Bjerke, Pesall, Sutton, Tufty, Unger, and Whitman. Nays: None. Absent: None. Motion carried.

Mayor Bonrud entered the meeting at this time and chaired the remainder of the meeting.

Motion by Unger and seconded by Tufty to conduct an independent inspection of property maintenance through-out the City using services available through the South Dakota Municipal League or Olson Consulting of Burke. The following members voted aye: Bjerke, Pesall, Sutton, Tufty, Unger, and Whitman. Nays: None. Absent: None. Motion carried.

Motion by Sutton and seconded by Tufty to approve the 2017-2018 Audit Report prepared by Schoenfish & Co., Inc. The following members voted aye: Bjerke, Pesall, Sutton, Tufty, Unger, and Whitman. Nays: None. Absent: None. Motion carried.

Motion by Unger and seconded by Tufty to accept the proposal from Schoenfish & Co., Inc. to prepare the 2019 Annual Report not to exceed \$3,750. The following members voted aye: Bjerke, Pesall, Sutton, Tufty, Unger, and Whitman. Nays: None. Absent: None. Motion carried.

A motion was made by Unger and seconded by Pesall to approve the 2020 Liquor License Applications for: ROK Properties, LLC; Glenda Hansen; Knuckleheads, Inc.; DCC, Inc.; Maynards of Flandreau; Nitza Rubenstein; Flandreau Flower Shoppe; Dolgen Midwest, LLC; and Flandreau Santee Sioux Tribe. The following members voted aye: Bjerke, Pesall, Sutton, Tufty, Unger, and Whitman. Nays: None. Absent: None. Motion carried.

Motion by Bjerke and seconded by Unger to write-off 2018 past due utility accounts in the amount of \$26,036.67. The following members voted aye: Bjerke, Pesall, Sutton, Tufty, Unger, and Whitman. Nays: None. Absent: None. Motion carried.

Motion by Whitman and seconded by Tufty to approve the 2019-2020 Safety Management Program Contract with Minnesota Municipal Utilities Association in the amount of \$13,350.00. The following members voted aye: Bjerke, Pesall, Sutton, Tufty, Unger, and Whitman. Nays: None. Absent: None. Motion carried.

Motion by Sutton and seconded by Tufty to allow the destruction of 2015 files. The following members voted aye: Bjerke, Pesall, Sutton, Tufty, Unger, and Whitman. Nays: None. Absent: None. Motion carried.

Motion by Whitman and seconded by Unger to approve renewing the employee health insurance, DakotaCare, Ultra \$1,250 Deductible Plan, effective December 1<sup>st</sup>, 2019. The following members voted aye: Bjerke, Pesall, Tufty, Unger, and Whitman. Abstain: Sutton. Nays: None. Absent: None. Motion carried.

Motion by Bjerke and seconded by Tufty to provide workman's compensation insurance coverage for all volunteer firefighters. The following members voted aye: Bjerke, Pesall, Sutton, Tufty, Unger, and Whitman. Nays: None. Absent: None. Motion carried.

Motion by Sutton and seconded by Unger to approve a pay step increase for Ryan Sherman, Journey Lineman, to \$23.66 per hour effective November 2<sup>nd</sup>, 2019. The following members voted aye: Bjerke, Pesall, Sutton, Tufty, Unger, and Whitman. Nays: None. Absent: None. Motion carried.

Motion by Whitman seconded by Unger to approve a pay step increase for Robert Neuenfeldt, Police Sergeant, to \$21.78 per hour effective December 7<sup>th</sup>, 2019. The following members voted aye: Bjerke, Pesall, Sutton, Tufty, Unger, and Whitman. Nays: None. Absent: None. Motion carried.

Public Comments: Cynthia Sheppard and Judy Jones, Flandreau Christian Women Organization, were present to share concerns regarding the heating and cooling system at the William J. Janklow Community Center. The organization uses the facility monthly and has encountered issues with extremely cold temperatures or condensation which creates a safety hazard. It is the organization's wish that investigation take place to determine whether the HVAC system could be repaired or replaced. The City Administrator will prepare information on the HVAC system for inclusion in the upcoming Capital Improvement Project Workshop.

Council Comments: Mayor Bonrud stated that Street Superintendent Mike Fargen has been an exemplary employee and wished him well in his retirement. He also commended Alderman Sutton and Alderman Unger for their participation and performance in the "Beauty and the Beast" production held recently at the Crystal Theatre. Finance Officer Gundvaldson shared that the City has received reimbursement in the amount of \$5,427.88 from ICAP for their 2019 subsidy as they had received donations and the funding was not needed.

Motion by Sutton and seconded by Unger to go into executive session for a personnel matter at 7:35 pm. The following members voted aye: Bjerke, Pesall, Sutton, Tufty, Unger, and Whitman. Nays: None. Absent: None. Motion carried.

Motion by Sutton and seconded by Pesall to come out of executive session at 7:50 pm. The following members voted aye: Bjerke, Pesall, Sutton, Tufty, Unger, and Whitman. Nays: None. Absent: None. Motion carried.

The Mayor declared the meeting adjourned at 7:51 pm.

Mark Bonrud  
Mayor

ATTEST:

Jeff Pederson  
City Administrator

**Council Approval Report for First National Bank--500330**

(Council Approval Report)

Invoice Number	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted \$	YTD Balance
4	AFLAC, ATTN: REMITTANCE PROCESSING SERVICES, 1932 WYNNTON RD., COLUMBUS, GA, 31999-0797								
260538	11/12/19	SUPPLEMENTAL INSURANCE PAYABLE	12/03/19	\$52.90	\$52.90	101-00-2165	AFLAC Ins Payable	\$0.00	\$3.35
260538	11/12/19	SUPPLEMENTAL INSURANCE PAYABLE	12/03/19	\$66.95	\$66.95	602-00-2165	AFLAC Ins. Payable	\$0.00	(\$66.96)
260538	11/12/19	SUPPLEMENTAL INSURANCE PAYABLE	12/03/19	\$185.51	\$185.51	603-00-2165	AFLAC Ins Payable	\$0.00	(\$185.52)
127	AHLERS AUTOMOTIVE, 1102 W. 1ST AVE., FLANDREAU, SD, 57028-1000								
98718	11/07/19	BACKHOE TIRE REPAIR	12/03/19	\$127.00	\$127.00	603-31-4901	Miscellaneous	\$1,500.00	\$1,333.75
12	BOB'S ELECTRIC, INC., 209 E. 2ND AVE., FLANDREAU, SD, 57028-1224								
11-2019	11/15/19	PROJECT #416611-ELECTRIC METER CUTOVER-2019 PHASE #4-FROM 10/15/2019 TO 11/15/2019	12/03/19	\$12,737.70	\$12,737.70	603-31-5301	Electric Distribution Imp (	\$0.00	\$1,034,388.26)
14	BORDER STATES ELECTRIC SUPPLY, NW 7235, P.O. BOX 1450, MINNEAPOLIS, MN, 55485-7235								
918941380	11/14/19	ELECTRIC IMPROVEMENT DIST-PHASE #4- SPLIT BOLT CONN-KS25 SERVIT 4 STR	12/03/19	\$325.50	\$325.50	603-31-5301	Electric Distribution Imp (	\$0.00	\$1,034,388.26)
1213	BRUNING & LEWIS LAW FIRM, PLLC, P.O. BOX 347, 310 S. WIND STREET, FLANDREAU, SD, 57028-1738								
10-2019	10/30/19	PROFESSIONAL FEES	12/03/19	\$1,225.00	\$1,225.00	101-01-4220	Professional Fees	\$23,000.00	\$4,100.00
10-2019	10/30/19	PROFESSIONAL FEES	12/03/19	\$137.50	\$137.50	101-04-4220	Professional Fees	\$500.00	(\$748.23)
1269	CENEX FLEETCARD, PO BOX 64745, ST. PAUL, MN, 55164-0745								
186128CL	11/23/19	GAS/OIL	12/03/19	\$1,558.94	\$1,558.94	101-02-4263	Gas/Oil	\$16,000.00	\$258.22
808	CITY OF FLANDREAU - PETTY CASH, 1005 W. ELM AVENUE, FLANDREAU, SD, 57028-1404								
10/11-2019	11/29/19	POSTAGE FOR BILLING CARDS-10/30/2019- 11/29/2019	12/03/19	\$1.51	\$1.51	602-32-4260	Supplies	\$6,750.00	\$1,305.82
10/11-2019	11/29/19	POSTAGE FOR BILLING CARDS-10/30/2019- 11/29/2019	12/03/19	\$1.51	\$1.51	603-32-4260	Supplies	\$7,000.00	\$1,540.76
10/11-2019	11/29/19	POSTAGE FOR BILLING CARDS-10/30/2019- 11/29/2019	12/03/19	\$1.50	\$1.50	604-32-4260	Supplies	\$6,500.00	\$1,166.37
337	CURT'S COLLISION CENTER, 1100 W 1ST AVE, FLANDREAU, SD, 57028-1000								
23880	11/20/19	2013 FORD EXPLORER-ADMIN-REPAIR FRONT BUMPER	12/03/19	\$2,987.55	\$2,987.55	101-01-4250	Repairs	\$0.00	(\$46.28)
1569	DAKOTA DIRECTIONAL, LLC, 206 E. 13TH AVE., REDFIELD, SD, 57469-1647								
					\$2,987.55				

**Council Approval Report for First National Bank--500330**  
(Council Approval Report)

Vendor	InvoiceNumber	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted \$	YTD Balance
	11-2019	11/15/19	PROJECT #416611-ELECTRIC DIST IMPROVEMENTS-FROM 10/15/2019 TO 11/15/2019/PAY ESTIMATE #4	12/03/19	\$191,198.69	\$191,198.69	603-31-5301	Electric Distribution Imp (	\$0.00	\$1,034,388.26)
<b>X</b>			<b>DEAN &amp; KENNY SPROULS, 405 S SUMMIT ST, FLANDREAU, SD, 57028-1325</b>			\$191,198.69				
	01-02321-02	11/27/19	UTILITY BILLING REFUND-01-02321-02-DEAN & KENNY SPROULS	12/03/19	\$49.28	\$49.28	603-31-3441	Utility Sales	\$2,665,000.00	\$148,419.08
	<b>1030</b>		<b>DELTA DENTAL OF SOUTH DAKOTA, PO BOX 1157, PIERRE, SD, 57501-1157</b>			\$49.28				
	1758685	11/20/19	DENTAL INSURANCE	12/03/19	\$708.68	\$708.68	101-00-2158	Dental Insurance Payabl	\$0.00	(\$708.93)
	1758685	11/20/19	DENTAL INSURANCE	12/03/19	\$11.16	\$11.16	211-00-2158	Dental Insurance Payabl	\$0.00	(\$11.16)
	1758685	11/20/19	DENTAL INSURANCE	12/03/19	\$94.63	\$94.63	602-00-2158	Dental Insurance Payabl	\$0.00	(\$79.78)
	1758685	11/20/19	DENTAL INSURANCE	12/03/19	\$239.06	\$239.06	603-00-2158	Dental Insurance Payabl	\$0.00	(\$209.32)
	1758685	11/20/19	DENTAL INSURANCE	12/03/19	\$94.67	\$94.67	604-00-2158	Dental Insurance Payabl	\$0.00	(\$79.80)
	1758685	11/20/19	DENTAL INSURANCE	12/03/19	\$5.36	\$5.36	606-00-2158	Dental Insurance Payabl	\$0.00	(\$5.36)
	1758685	11/20/19	DENTAL INSURANCE	12/03/19	\$8.04	\$8.04	612-00-2158	Dental Insurance Payabl	\$0.00	(\$8.04)
						\$1,161.60				
<b>25</b>			<b>DGR ENGINEERING, 1302 S. UNION ST., P.O. BOX 511, ROCK RAPIDS, IA, 51246-0511</b>			\$2,628.88				
	237689	11/14/19	PROJECT #416611.00-PHASE #4.ELECTRIC DIST IMPROVEMENTS/PROFESSIONAL SERVICERS THROUGH OCT 31, 2019	12/03/19	\$2,628.88	\$2,628.88	603-31-5301	Electric Distribution Imp (	\$0.00	\$1,034,388.26)
	<b>206</b>		<b>DITCH WITCH OF SOUTH DAKOTA, INC., 27125 PARKLANE DR., SIOUX FALLS, SD, 57106-8000</b>			\$2,628.88				
	P14918	11/21/19	3/8" HOSE/HOSE END/FREIGHT	12/03/19	\$161.91	\$161.91	603-31-4250	Repairs	\$2,000.00	(\$6,736.09)
						\$161.91				
<b>32</b>			<b>ENG SERVICES, 207 S. CRESCENT ST., FLANDREAU, SD, 57028-1717</b>			\$45.00				
	11-2019	11/29/19	HAULING SOLID WASTE	12/03/19	\$45.00	\$45.00	101-02-4280	Utilities	\$11,000.00	\$1,496.79
	11-2019	11/29/19	HAULING SOLID WASTE	12/03/19	\$45.00	\$45.00	101-04-4280	Utilities	\$5,500.00	\$1,461.08
	11-2019	11/29/19	HAULING SOLID WASTE	12/03/19	\$45.00	\$45.00	101-10-4280	Utilities	\$10,000.00	(\$591.15)
	11-2019	11/29/19	HAULING SOLID WASTE	12/03/19	\$45.00	\$45.00	603-31-4280	Utilities	\$7,500.00	\$1,824.44
	11-2019	11/29/19	HAULING SOLID WASTE	12/03/19	\$13,024.80	\$13,024.80	612-05-4293	Contract/Agreement	\$155,000.00	\$24,618.90
	11-2019	11/29/19	DIESEL FUEL ESCALATION-4/1/2011	12/03/19	\$132.05	\$132.05	612-05-4293	Contract/Agreement	\$155,000.00	\$24,618.90
						\$13,336.85				
<b>X</b>			<b>GERALD HILDEBRANT, 604 W PIPESTONE AVE, FLANDREAU, SD, 57028-1521</b>			\$70.13				
	01-00600-08 G HIL	11/27/19	UTILITY DEPOSIT REFUND-01-00600-08 GERALD HILDEBRANT	12/03/19	\$70.13	\$70.13	603-31-3441	Utility Sales	\$2,665,000.00	\$148,419.08
	<b>408</b>		<b>GOVOFFICE, , 2112 BROADWAY ST. NE, SUITE 250, MINNEAPOLIS,, MN, 55413-3082</b>			\$70.13				

**CITY OF FLANDREAU**  
**Council Approval Report for First National Bank--500330**  
 (Council Approval Report)

InvoiceNumber	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted \$	YTD Balance
9420	11/01/19	1 YR WEBSITE HOSTING-ANNUAL HOSTING FEE 2019-2020	12/03/19	\$595.84	\$595.84	101-00-1550	Prepaid Expense	\$0.00	(\$6,286.43)
9420	11/01/19	1 YR WEBSITE HOSTING-ANNUAL HOSTING FEE 2019-2020	12/03/19	\$54.16	\$54.16	101-01-4230	Publishing/Advertising	\$9,500.00	\$671.87
<b>X</b>									
01-01172-23 H FL	11/27/19	HEPI FLUTERPLAYER, KERRY ZEPHIER, PO BOX 332, FLANDREAU, SD, 57028-0332 UTILITY DEPOSIT REFUND-01-01172-23 HEPI FL UTER PLAYER	12/03/19	\$1.40	\$1.40	603-31-3441	Utility Sales	\$2,665,000.00	\$148,419.08
106	11/19/19	J. P. COOKE CO., P.O. BOX 3848, OMAHA, NE, 68103-0848 RED DOG TAGS FOR 2020	12/03/19	\$62.90	\$62.90	101-06-4260	Supplies	\$275.00	\$32.51
56	11/15/19	JUSTICE FIRE & SAFETY, 3601 N POTSDAMN AVE, SIOUX FALLS, SD, 57104-7032 ANNUAL FIRE EXTINGUISHER INSPECTION	12/03/19	\$115.55	\$115.55	101-03-4250	Repairs	\$9,000.00	\$4,353.70
65	11/15/19	M & T FIRE AND SAFETY, INC., P.O. BOX 167, VOLGA, SD, 57071-0167 SIGLE-HANDED QUICK RELEASE BUCKLES/TWO FRONT CLOSE CARGO POCKETS/CLIP-IN PINTS/DRAIN HOLES	12/03/19	\$4,571.00	\$4,571.00	101-03-4260	Supplies	\$10,000.00	\$5,276.32
<b>X</b>									
01-00047-18 MER	11/27/19	MERCEDES ARDON, 115 1/2 E 2ND AVE # 1, FLANDREAU, SD, 57028-1267 UTILITY DEPOSIT REFUND-MERCEDES ARDON-01-00047-18	12/03/19	\$30.44	\$30.44	603-31-3441	Utility Sales	\$2,665,000.00	\$148,419.08
1378	11/22/19	METRON-FARNIER, LLC, 5665 AIRPORT BLVD., SUITE B 105, BOULDER, CO, 80301-2300 VERIZON WIRELESS SERVICE EXTENSION OF ONE YEAR PLAN	12/03/19	\$340.00	\$340.00	602-31-4362	Equipment/Meters	\$25,000.00	(\$646.02)
30240	11/22/19	S30D 5/8X3/4" MEASURER	12/03/19	\$7,189.16	\$7,189.16	602-31-4362	Equipment/Meters	\$25,000.00	(\$646.02)
904	11/15/19	MILLS & MILLER, INC., 3600 S SYCAMORE, STE 205, SIOUX FALLS, SD, 57110-4529 25.18 DECICING SALT	12/03/19	\$1,863.32	\$1,863.32	101-04-4247	Salt	\$2,000.00	\$2,000.00
120	11/15/19	OTTERTAIL POWER COMPANY, P.O. BOX 2002, FERGUS FALLS, MN, 56538-2002 AIRPORT ELECTRIC	12/03/19	\$287.58	\$287.58	606-11-4280	Utilities	\$5,500.00	\$1,353.43
74281	11/06/19	SANITATION PRODUCTS, INC., P.O. BOX 166, FARGO, ND, 58107-0166 CHAIN/SPINNER MOTOR FOR SPREADER	12/03/19	\$2,022.31	\$2,022.31	101-04-4250	Repairs	\$7,500.00	(\$110.48)

**Council Approval Report for First National Bank--500330**  
 (Council Approval Report)

Invoice Number	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted \$	YTD Balance
<b>Vendor</b>									
84		SD DEPT. OF HEALTH PUBLIC LAB SERVICES, 615 E 4TH ST, PIERRE, SD, 57501-9971			\$2,022.31				
10590890	11/15/19	WATER SAMPLES	12/03/19	\$45.00	\$45.00	602-31-4297	Test Samples	\$1,700.00	\$1,114.00
10590890	11/15/19	SEWER SAMPLES	12/03/19	\$276.00	\$276.00	604-31-4297	Test Samples	\$1,200.00	(\$3,099.00)
<b>92</b>									
11-2019	11/20/19	RETIREMENT	12/03/19	\$6,102.02	\$6,102.02	101-00-2161	Retirement Payable	\$0.00	(\$6,102.02)
11-2019	11/20/19	RETIREMENT	12/03/19	\$70.72	\$70.72	211-00-2161	Retirement Payable	\$0.00	(\$70.72)
11-2019	11/20/19	RETIREMENT	12/03/19	\$1,144.36	\$1,144.36	602-00-2161	Retirement Payable	\$0.00	(\$1,144.36)
11-2019	11/20/19	RETIREMENT	12/03/19	\$2,368.12	\$2,368.12	603-00-2161	Retirement Payable	\$0.00	(\$2,368.12)
11-2019	11/20/19	RETIREMENT	12/03/19	\$982.20	\$982.20	604-00-2161	Retirement Payable	\$0.00	(\$982.20)
11-2019	11/20/19	RETIREMENT	12/03/19	\$50.00	\$50.00	606-00-2161	Retirement Payable	\$0.00	(\$50.00)
11-2019	11/20/19	RETIREMENT	12/03/19	\$75.00	\$75.00	612-00-2161	Retirement Payable	\$0.00	(\$75.00)
					<b>\$321.00</b>				
					<b>\$10,792.42</b>				
141		SD SUPPLEMENTAL RETIREMENT PLAN, , P.O. BOX 1098, PIERRE, SD, 57501-1098							
12-4-2019	12/04/19	SUPPLEMENTAL RETIREMENT-JEFF PEDERSON	12/03/19	\$38.46	\$38.46	101-17-4135	Retirement-Special	\$1,000.00	\$76.96
12-4-2019	12/04/19	SUPPLEMENTAL RETIREMENT-LUCAS DAILEY	12/03/19	\$50.00	\$50.00	602-00-2166	Retire. Supplemental Pay	\$0.00	\$50.00
12-4-2019	12/04/19	SUPPLEMENTAL RETIREMENT-JEFF PEDERSON	12/03/19	\$38.46	\$38.46	602-32-4135	Retirement-Special	\$1,000.00	\$76.96
12-4-2019	12/04/19	SUPPLEMENTAL RETIREMENT-RYAN SHERMAN	12/03/19	\$30.00	\$30.00	603-00-2166	Retire. Supplemental Pay	\$0.00	(\$60.00)
12-4-2019	12/04/19	SUPPLEMENTAL RETIREMENT-JEFF PEDERSON	12/03/19	\$76.93	\$76.93	603-32-4135	Retirement-Special	\$2,000.00	\$153.68
12-4-2019	12/04/19	SUPPLEMENTAL RETIREMENT-LUCAS DAILEY	12/03/19	\$50.00	\$50.00	604-00-2166	Retire. Supplemental Pay	\$0.00	(\$50.00)
12-4-2019	12/04/19	SUPPLEMENTAL RETIREMENT-JEFF PEDERSON	12/03/19	\$38.46	\$38.46	604-32-4135	Retirement-Special	\$1,000.00	\$76.96
					<b>\$322.31</b>				
1137		SIoux EQUIPMENT CO. INC., 1310 EAST 39TH STREET NORTH, SIOUX FALLS, SD, 57104-0834							
170286	11/20/19	LABORMILEAG CHARGENEST IN HANDLE SWITCH MECHANISM	12/03/19	\$457.40	\$457.40	606-11-4250	Repairs	\$3,000.00	\$846.43
					<b>\$457.40</b>				
1665		STANDARD INSURANCE COMPANY, PO BOX 645311, CINCINNATI, OH, 45264-5311							
11-2019	11/19/19	LIFE INSURANCE	12/03/19	\$4.23	\$4.23	101-00-2168	Life Insurance Payable	\$0.00	(\$4.22)
11-2019	11/19/19	LIFE INSURANCE	12/03/19	\$54.96	\$54.96	101-02-4209	Insurance- Life A/P	\$764.00	\$239.95
11-2019	11/19/19	LIFE INSURANCE	12/03/19	\$106.50	\$106.50	101-03-4209	Insurance- Life A/P	\$1,380.00	\$327.78
11-2019	11/19/19	LIFE INSURANCE	12/03/19	\$21.30	\$21.30	101-04-4209	Insurance- Life A/P	\$268.00	\$55.00
11-2019	11/19/19	LIFE INSURANCE	12/03/19	\$4.26	\$4.26	101-08-4209	Insurance- Life A/P	\$63.00	\$20.40

**Council Approval Report for First National Bank--500330**  
(Council Approval Report)

Vendor	InvoiceNumber	Date	Description	Due Date	Invoice Amt.	Approved Amt	Account Number	Account Description	Budgeted \$	YTD Balance
	11-2019	11/19/19	LIFE INSURANCE	12/03/19	\$1.70	\$1.70	101-17-4209	Insurance- Life A/P	\$97.00	\$80.00
	11-2019	11/19/19	LIFE INSURANCE	12/03/19	\$2.13	\$2.13	211-10-4209	Insurance- Life A/P	\$26.00	\$4.70
	11-2019	11/19/19	LIFE INSURANCE	12/03/19	\$4.22	\$4.22	602-00-2168	Life Insurance Payable	\$0.00	(\$4.22)
	11-2019	11/19/19	LIFE INSURANCE	12/03/19	\$10.65	\$10.65	602-31-4209	Insurance- Life A/P	\$128.00	\$21.50
	11-2019	11/19/19	LIFE INSURANCE	12/03/19	\$10.22	\$10.22	602-32-4209	Insurance- Life A/P	\$199.00	\$96.80
	11-2019	11/19/19	LIFE INSURANCE	12/03/19	\$13.44	\$13.44	603-00-2168	Life Insurance Payable	\$0.00	(\$13.44)
	11-2019	11/19/19	LIFE INSURANCE	12/03/19	\$27.69	\$27.69	603-31-4209	Insurance- Life A/P	\$332.00	\$55.10
	11-2019	11/19/19	LIFE INSURANCE	12/03/19	\$9.37	\$9.37	603-32-4209	Insurance- Life A/P	\$239.00	\$145.30
	11-2019	11/19/19	LIFE INSURANCE	12/03/19	\$4.22	\$4.22	604-00-2168	Life Insurance Payable	\$0.00	(\$4.22)
	11-2019	11/19/19	LIFE INSURANCE	12/03/19	\$10.65	\$10.65	604-31-4209	Insurance- Life A/P	\$128.00	\$21.50
	11-2019	11/19/19	LIFE INSURANCE	12/03/19	\$5.54	\$5.54	604-32-4209	Insurance- Life A/P	\$145.00	\$89.60
	11-2019	11/19/19	LIFE INSURANCE	12/03/19	\$1.02	\$1.02	606-11-4209	Insurance- Life A/P	\$12.00	\$1.80
	11-2019	11/19/19	LIFE INSURANCE	12/03/19	\$1.53	\$1.53	612-05-4209	Insurance- Life A/P	\$18.00	\$2.70
						<b>\$293.63</b>				
	1852	TAMRA RICE, 410 S KUHLE ST, FLANDREAU, SD, 57028-1525								
	11-2019	11/30/19	COM CENTER DEPOSIT REFUND	12/03/19	\$250.00	\$250.00	101-00-2200	Customer Deposits	\$0.00	(\$2,250.00)
						<b>\$250.00</b>				
	1248	T-SHIRTS TOO, 128 E 2ND AVE, FLANDREAU, SD, 57028-1223								
	11-2019	11/25/19	10-BEANIE	12/03/19	\$90.00	\$90.00	101-02-4265	Uniforms	\$4,000.00	(\$2,384.32)
						<b>\$90.00</b>				
	1456	VAST BROADBAND, PO BOX 35153, SEATTLE, WA, 98124-5153								
	11-2019	11/24/19	14996801 POLICE-PHONE/CABLE/INTERNET	12/03/19	\$259.63	\$259.63	101-02-4280	Utilities	\$11,000.00	\$1,496.79
	11/20/2019	FIRE D	702302 FIRE DEPT-PHONE/CABLE/INTERNET	12/03/19	\$120.34	\$120.34	101-03-4280	Utilities	\$4,800.00	\$295.38
	11-2019	POOL	702402-POOL /PHONE	12/03/19	\$48.34	\$48.34	101-07-4280	Utilities	\$16,500.00	\$2,262.13
	11-2019	COM CEN	11847702 -COM CENTER/PHONE	12/03/19	\$40.52	\$40.52	101-10-4280	Utilities	\$10,000.00	(\$591.15)
	11-2019	OFFICE	702101-OFFICE-CABLE/PHONE/INTERNET	12/03/19	\$150.63	\$150.63	602-32-4280	Utilities	\$3,500.00	(\$242.63)
	11-2019	OFFICE	702101-OFFICE-CABLE/PHONE/INTERNET	12/03/19	\$150.62	\$150.62	603-32-4280	Utilities	\$3,800.00	(\$326.67)
	11-2019	OFFICE	702101-OFFICE-CABLE/PHONE/INTERNET	12/03/19	\$150.63	\$150.63	604-32-4280	Utilities	\$4,000.00	\$209.35
						<b>\$920.71</b>				
	01-00298-02 V PIT	VERITY PITSENBERGER, C/O SUE PITSENBERGER, 110 W PROSPECT AVE, FLANDREAU, SD, 57028-1137								
	11/27/19	UTILITY BILLING REFUND-VERITY PITSENBERGER-01-00298-02		12/03/19	\$125.92	\$125.92	603-31-3441	Utility Sales	\$2,665,000.00	\$148,419.08
						<b>\$125.92</b>				
	136	VISION SERVICE PLAN, , P.O. BOX 742788, LOS ANGELES, CA, 90074-2788								
	12-2019	11/18/19	VISION INSURANCE	12/03/19	\$144.86	\$144.86	101-00-2157	Vision Insurance Payable	\$0.00	(\$127.63)
	12-2019	11/18/19	VISION INSURANCE	12/03/19	\$2.00	\$2.00	211-00-2157	Vision Insurance Payable	\$0.00	(\$2.00)
	12-2019	11/18/19	VISION INSURANCE	12/03/19	\$28.82	\$28.82	602-00-2157	Vision Insurance Payable	\$0.00	(\$28.82)
	12-2019	11/18/19	VISION INSURANCE	12/03/19	\$44.00	\$44.00	603-00-2157	Vision Insurance Payable	\$0.00	(\$44.00)

**Council Approval Report for First National Bank--500330**

(Council Approval Report)

Vendor	Invoice Number	Date	Description	Due Date	Invoice Amt	Approved Amt	Account Number	Account Description	Budgeted \$	YTD Balance
	12-2019	11/18/19	VISION INSURANCE	12/03/19	\$19.60	\$19.60	604-00-2157	Vision Insurance Payable	\$0.00	(\$19.60)
	12-2019	11/18/19	VISION INSURANCE	12/03/19	\$0.96	\$0.96	606-00-2157	Vision Insurance Payable	\$0.00	(\$0.96)
	12-2019	11/18/19	VISION INSURANCE	12/03/19	\$1.44	\$1.44	612-00-2157	Vision Insurance Payable	\$0.00	(\$1.44)
						<b>\$241.68</b>				
207			WESCO, LOCKBOX #771751, 1751 SOLUTIONS CENTER DR, CHICAGO, IL, 60677-1007							
381044		11/13/19	PHASE #4-ELECTRIC DIST IMPROVEMENTS-BOX PAD	12/03/19	\$520.00	\$520.00	603-31-5301	Electric Distribution Imp (	\$0.00	\$1,034,388.26)
383420		11/18/19	NORDIC CBP37-43-24A BOX PAD-PHASE #4/ELECTRIC PROJECT	12/03/19	\$260.00	\$260.00	603-31-5301	Electric Distribution Imp (	\$0.00	\$1,034,388.26)
383421		11/18/19	THHN-250-BLK-37STR-CU-1R WIRE-PHASE #4	12/03/19	\$114.63	\$114.63	603-31-5301	Electric Distribution Imp (	\$0.00	\$1,034,388.26)
						<b>\$894.63</b>				
1271			WILMA AHLERS, 910 W 1ST AVE, FLANDREAU, SD, 57028-1011							
11-2019		11/24/19	COM CENTER DEPOSIT REFUND	12/03/19	\$250.00	\$250.00	101-00-2200	Customer Deposits	\$0.00	(\$2,250.00)
						<b>\$250.00</b>				
			<b>Total Bills To Pay:</b>			<b>\$260,109.77</b>				

## Agenda Action Form Flandreau City Council

Meeting Date: 12/2/2019

**Title:** Resolution 2019-15 - A Resolution Authorizing the Issuance, Prescribing Form and Details and Providing for the Payment of Electric Revenue Refunding Bonds and the Security Thereof

Motion       Resolution       Ordinance       Other

**Background Information:** Approval is requested for Resolution 2019-15 which authorizes the City of Flandreau to refund the Series 2013 Electric Bonds that mature and become callable in May of 2020. The City will then re-issue Electric Revenue bonds in the remaining amount of \$2,735,000 for the remaining period of the original issue, which runs to 2035. The resolution also retains Dougherty & Company, LLC, of Minneapolis, Minnesota, as underwriter for the Series 2020 Bonds, and appoints U.S. Bank National Association, St. Paul, Minnesota as bond registrar, transfer agent and paying agent.

**Justification:** The average interest rate on the current 2013 bond issue is 4.33%, and it is believed that the re-issued bonds will attract an average interest rate of 2.7%. The net savings of the transaction, after refunding and reissuance costs are deducted, is projected to be approximately \$300,000. The interest rates for municipal bonds are relatively low at this time, and there is no significant drop anticipated in the near term.

**Financial Consideration:** The effect of this refunding will be an annual reduction in costs to the Electric Utility of \$23,000.

**City Administrator's Recommendation:** Approval

**Attachments:** Resolution 2019-15 - A Resolution Authorizing the Issuance, Prescribing Form and Details and Providing for the Payment of Electric Revenue Refunding Bonds and the Security Thereof

RESOLUTION NO. 2019-15

RESOLUTION AUTHORIZING THE ISSUANCE, PRESCRIBING FORM AND  
DETAILS AND PROVIDING FOR THE PAYMENT OF ELECTRIC REVENUE  
REFUNDING BONDS AND THE SECURITY THEREOF

BE IT RESOLVED by the City Council of the City of Flandreau, South Dakota (the “City”), as follows:

SECTION 1. RECITALS, AUTHORIZATION AND FINDINGS.

1.1. Recitals. The City currently operates a municipal electric utility (the “Utility”), consisting of a system or part of system for the purpose of providing electricity for municipal, industrial and domestic purposes.

1.2 Prior Bonds. Pursuant to South Dakota Codified Laws, Chapter 9-40 (the “Act”) and a Resolution adopted by this Council on January 21, 2013 (the “Series 2013 Resolution”), the Issuer has heretofore issued its Electric Revenue Bonds, Series 2013, dated, as originally issued, as of June 4, 2013 in the original principal amount of \$3,675,000 (the “Series 2013 Bonds”) for the purpose of refunding certain obligations issued to defray the cost of acquiring and constructing improvements to and extensions of the Utility (the “2013 Improvements”), together with necessary appurtenances.

1.3. Authorization. The City is authorized to refund the Series 2013 Bonds maturing in the year 2021 and later years (the “Refunded Bonds”) in a current refunding, to issue electric revenue refunding bonds (the “Series 2020 Bonds”) in order to defray the cost thereof and to make all pledges, covenants and agreements authorized by law for the protection of the owners of the Series 2020 Bonds, including, without limitation, those covenants set forth in Sections 9-40-16 and 9-40-17 of the Act. The Series 2020 Bonds are payable solely from Net Revenues of the 2013 Improvements, as defined hereinafter, and shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory provisions or limitations.

1.4. Sale and Bond Purchase Agreement. The City hereby retains Dougherty & Company LLC, of Minneapolis, Minnesota, as underwriter for the Series 2020 Bonds (the “Underwriter”), and the Underwriter proposes to purchase the Series 2020 Bonds at a purchase price of not less than 98% of par (exclusive of original issue discount not to exceed 2% of the par amount of the Series 2020 Bonds), plus accrued interest, if any, the Series 2020 Bonds to bear interest at an average rate per annum not to exceed 3.50% and to mature over a period not to exceed sixteen (16) years. The principal amount of the Series 2020 Bonds shall not exceed an amount sufficient to refund the Refunded Bonds and finance costs of issuance thereof, including bond insurance, and a reserve fund for the Bonds, as defined hereinafter. The Mayor and Finance Officer are hereby authorized and directed to agree with the Underwriter upon the exact purchase price, principal amount, maturities, redemption provisions and interest rate or rates for the Series 2020 Bonds, within the parameters set forth in this Section 1.4. The execution of a Bond Purchase Agreement setting forth such final terms by the Mayor and Finance Officer is hereby approved and authorized, and such execution shall be conclusive evidence of such agreement and shall be binding upon the

City. The provisions of the Bond Purchase Agreement as so executed, including all Exhibits and Appendices thereto, are incorporated herein by reference.

1.5. City Officers Authorized to Execute Documents. The Mayor, Finance Officer and City Attorney are hereby authorized and directed to execute and deliver the Bond Purchase Agreement and the documents required thereunder, the Official Statement, the Series 2020 Bonds and any other documents required to complete the financing contemplated hereby. Execution and delivery of such documents by the Mayor, Finance Officer and City Attorney shall constitute evidence that such items are consistent with the terms of this resolution and have been duly authorized, executed and delivered by the City and are enforceable against the City in accordance with their terms, subject to customary exceptions relating to bankruptcy, reorganization, insolvency and other laws affecting creditors' rights. The Mayor, Finance Officer and City Attorney are further authorized to take such other actions as may be required to effectuate the terms and intent of this resolution. In the event of the absence or disability of the Mayor, Finance Officer or City Attorney, the acting Mayor, the acting Finance Officer or the acting City Attorney is hereby authorized to act in the place and stead of the Mayor, Finance Officer and City Attorney, and to take all actions and execute all documents approved hereby.

1.6. Official Statement. The Mayor, Finance Officer and the City Attorney are authorized, in cooperation with the Underwriter, to prepare an Official Statement to be distributed to prospective purchasers of the Series 2020 Bonds. The Mayor and the Finance Officer are hereby authorized and directed to approve and, if requested, to execute the final Official Statement.

## SECTION 2. SERIES 2020 BOND TERMS, EXECUTION AND DELIVERY.

2.1. Execution, Authentication and Delivery. The Series 2020 Bonds shall be prepared under the direction of the Finance Officer and shall be executed and authenticated on behalf of the City by the signatures of the Mayor and the Finance Officer and countersigned by an attorney resident and licensed to practice in the State of South Dakota (the "State"). All signatures may be printed, lithographed, photocopied or engraved facsimiles of the original. In case any officer whose signature or a facsimile of whose signature shall appear on the Series 2020 Bonds shall cease to be such officer before the delivery of any Series 2020 Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. Notwithstanding such execution, no Series 2020 Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on the Series 2020 Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Series 2020 Bonds need not be signed by the same representative. The executed certificate of authentication on each Series 2020 Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution. After the Series 2020 Bonds have been so prepared and executed, the Finance Officer shall deliver them to the Registrar for delivery to the Underwriter on receipt of the purchase price heretofore agreed upon, and the Underwriter shall not be required to see to the application thereof.

2.2. Maturities and Interest Rates. The Series 2020 Bonds shall be issued in the denomination of \$5,000 each, or any integral multiple thereof, shall mature on the dates and in the respective years and amounts, and shall bear interest from their date of original issue until paid or

duly called for redemption at the respective annual rates stated opposite such maturity years on Exhibit A to the Bond Purchase Agreement. The Series 2020 Bonds shall be issuable only in fully registered form and may be issued either in book-entry only form or in physical form. The interest thereon and, upon surrender of each Series 2020 Bond, the principal amount thereof, shall be payable by check or draft issued by the Registrar described herein, provided that if the Series 2020 Bonds are registered in the name of a securities depository, or a nominee thereof, in accordance with Section 2.8 hereof, principal and interest shall be payable in accordance with the operational arrangements of the securities depository.

2.3. Dates and Interest Payment Dates. Each Series 2020 Bond shall bear a date of original issue of the date of delivery thereof. Upon the initial delivery of the Series 2020 Bonds pursuant to Section 2.1 and upon any subsequent transfer or exchange pursuant to Section 2.6, the date of authentication shall be noted on each Series 2020 Bond so delivered, exchanged or transferred. The interest on the Series 2020 Bonds shall be payable on the dates shown on Exhibit A to the Bond Purchase Agreement, to the owner of record thereof as the close of business on the fifteenth day of the immediately preceding month, whether or not such day is a business day. Interest shall be computed on the basis of a 360-day year composed of twelve 30-day months.

2.4. Redemption. The Series 2020 Bonds shall be subject to redemption prior to maturity, at the option of the City, in the years and at the redemption prices set forth in Exhibit A to the Bond Purchase Agreement in such order of maturities as may be designated by the City and, within any maturity, in \$5,000 principal amounts selected by the Registrar by lot, assigned in proportion to their principal amounts. The Finance Officer shall cause notice of the call for redemption thereof to be published as and if required by law, and, at least thirty days prior to the designated redemption date, shall cause notice of the call thereof for redemption to be mailed, by first class mail (or, if applicable, by the bond depository in accordance with its customary procedures), to the registered owners of any Series 2020 Bonds to be redeemed at their addresses as they appear on the bond register described in Section 2.6 hereof, but no defect in or failure to give such mailed notice shall affect the validity of proceedings for the redemption of any Series 2020 Bond not affected by such defect or failure. The notice of redemption shall specify the redemption date, redemption price, the numbers, interest rates and CUSIP numbers of the Series 2020 Bonds to be redeemed and the place at which the Series 2020 Bonds are to be surrendered for payment, which is the principal office of the Registrar. Official notice of redemption having been given as aforesaid, the Series 2020 Bonds or portions of Series 2020 Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Series 2020 Bonds or portions of Series 2020 Bonds shall cease to bear interest. Upon partial redemption of any Series 2020 Bond, a new Series 2020 Bond or Series 2020 Bonds will be delivered to the registered owner without charge, representing the remaining principal amount outstanding.

2.5. Appointment of Initial Registrar. The City hereby appoints U.S. Bank National Association, St. Paul, Minnesota, as bond registrar, transfer agent and paying agent (the "Registrar"). The Mayor and the Finance Officer are authorized to execute and deliver, on behalf of the City, a contract with the Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company authorized by law to conduct such business, such corporation shall be authorized to act as successor Registrar. The City agrees to pay the reasonable and customary charges of the Registrar for the services performed.

The City reserves the right to remove the Registrar upon thirty (30) days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Series 2020 Bonds in its possession to the successor Registrar and shall deliver the bond register to the successor Registrar. On or before each principal or interest due date, without further order of the Commission, the Finance Officer shall transmit to the Registrar, from the subaccounts described in Section 4, moneys sufficient for the payment of all principal and interest then due.

2.6. Registration. The effect of registration and the rights and duties of the City and the Registrar with respect thereto shall be as follows:

(a) Register. The Registrar shall keep at its principal corporate trust office a bond register in which the Registrar shall provide for the registration of ownership of Series 2020 Bonds and the registration of transfers and exchanges of Series 2020 Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Series 2020 Bonds. Upon surrender for transfer of any Series 2020 Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Series 2020 Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until such interest payment date.

(c) Exchange of Series 2020 Bonds. Whenever any Series 2020 Bonds are surrendered by the registered owner for exchange, the Registrar shall authenticate and deliver one or more new Series 2020 Bonds of a like aggregate principal amount and maturity, as requested by the registered owner or the owner's attorney in writing.

(d) Cancellation. All Series 2020 Bonds surrendered upon any transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When any Series 2020 Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Series 2020 Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The City and the Registrar may treat the person in whose name any Series 2020 Bond is at any time registered in the bond register as the absolute owner of such Series 2020 Bond, whether such Series 2020 Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Series 2020 Bond and for all other purposes, and all such payments so made to any such registered owner or upon the owner's order shall be valid and effectual

to satisfy and discharge the liability upon such Series 2020 Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. For every transfer or exchange of Series 2020 Bonds, the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. In case any Series 2020 Bond shall become mutilated or be destroyed, stolen or lost, the Registrar shall deliver a new Series 2020 Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Series 2020 Bond or in lieu of and in substitution for any such Series 2020 Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Series 2020 Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that such Series 2020 Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the City and the Registrar shall be named as obligees. All Series 2020 Bonds so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall be given to the City. If the mutilated, destroyed, stolen or lost Series 2020 Bond has already matured or been called for redemption in accordance with its terms, it shall not be necessary to issue a new Series 2020 Bond prior to payment.

2.7. Bond Form. The Series 2020 Bonds shall be prepared in substantially the form presented to and approved by this Commission and on file in the office of the Finance Officer.

2.8. Securities Depository. The Finance Officer may, on or before the date of issue of the Series 2020 Bonds, direct that the Series 2020 Bonds be issued in book-entry only form and if issued in such form, the following provisions shall apply:

(a) For purposes of this section the following terms shall have the following meanings:

“Beneficial Owner” shall mean, whenever used with respect to a Series 2020 Bond, the person in whose name such Series 2020 Bond is recorded as the beneficial owner of such Series 2020 Bond by a Participant on the records of such Participant, or such person’s subrogee.

“Cede & Co.” shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series 2020 Bonds.

“DTC” shall mean The Depository Trust Company of New York, New York.

“Participant” shall mean any broker-dealer, bank or other financial institution for which DTC holds Series 2020 Bonds as securities depository.

“Representation Letter” shall mean the Representation Letter pursuant to which the sender agrees to comply with DTC’s Operational Arrangements.

(b) The Series 2020 Bonds shall be initially issued as separately authenticated fully registered bonds, and one Series 2020 Bond shall be issued in the principal amount of each stated maturity of the Series 2020 Bonds. Upon initial issuance, the ownership of such Series 2020 Bonds shall be registered in the bond register in the name of Cede & Co., as nominee of DTC. The Registrar and the City may treat DTC (or its nominee) as the sole and exclusive owner of the Series 2020 Bonds registered in its name for the purposes of payment of the principal of or interest on the Series 2020 Bonds, selecting the Series 2020 Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to registered owners of Series 2020 Bonds under this resolution, registering the transfer of Series 2020 Bonds, and for all other purposes whatsoever; and neither the Registrar nor the City shall be affected by any notice to the contrary. Neither the Registrar nor the City shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Series 2020 Bonds under or through DTC or any Participant, or any other person which is not shown on the bond register as being a registered owner of any Series 2020 Bonds, with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of or interest on the Series 2020 Bonds, with respect to any notice which is permitted or required to be given to owners of Series 2020 Bonds under this resolution, with respect to the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Series 2020 Bonds, or with respect to any consent given or other action taken by DTC as registered owner of the Series 2020 Bonds. So long as any Series 2020 Bond is registered in the name of Cede & Co., as nominee of DTC, the Registrar shall pay all principal of and interest on such Series 2020 Bond, and shall give all notices with respect to such Series 2020 Bond, only to Cede & Co. in accordance with DTC's Operational Arrangements, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of and interest on the Series 2020 Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated Series 2020 Bond for each separate stated maturity evidencing the obligation of the City to make payments of principal and interest. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Series 2020 Bonds will be transferable to such new nominee in accordance with paragraph (e) hereof.

(c) In the event the City determines that it is in the best interest of the Beneficial Owners that they be able to obtain Series 2020 Bonds in the form of bond certificates, the City may notify DTC and the Registrar, whereupon DTC shall notify the Participants of the availability through DTC of Series 2020 Bonds in the form of certificates. In such event, the Series 2020 Bonds will be transferable in accordance with paragraph (e) hereof. DTC may determine to discontinue providing its services with respect to the Series 2020 Bonds at any time by giving notice to the City and the Registrar and discharging its responsibilities with respect thereto under applicable law. In such event the Series 2020 Bonds will be transferable in accordance with paragraph (e) hereof.

(d) The execution and delivery of the Representation Letter to DTC by the Mayor or Finance Officer is hereby authorized and directed.

(e) In the event that any transfer or exchange of Series 2020 Bonds is permitted under paragraph (b) or (c) hereof, such transfer or exchange shall be accomplished upon receipt by the Registrar of the Series 2020 Bonds to be transferred or exchanged and appropriate instruments of

transfer to the permitted transferee in accordance with the provisions of this resolution. In the event Series 2020 Bonds in the form of certificates are issued to owners other than Cede & Co., its successor as nominee for DTC as owner of all the Series 2020 Bonds, or another securities depository as owner of all the Series 2020 Bonds, the provisions of this resolution shall also apply to all matters relating thereto, including, without limitation, the printing of such Series 2020 Bonds in the form of bond certificates and the method of payment of principal of and interest on such Series 2020 Bonds in the form of bond certificates.

### SECTION 3. USE OF PROCEEDS; REDEMPTION OF REFUNDED BONDS.

3.1. Use of Proceeds. The Finance Officer is hereby authorized and directed, simultaneously with the delivery of the Series 2020 Bonds, to deposit in escrow with U.S. Bank National Association, as escrow agent (the "Escrow Agent"), proceeds of the Series 2020 Bonds which are to be invested in securities authorized for such purpose by Chapter 6-8B, South Dakota Codified Laws, maturing on such dates and bearing interest at such rates as are required to provide funds sufficient, with cash retained in the escrow account, to pay interest to become due on the Refunded Bonds on the Redemption Date and to refund and redeem the Refunded Bonds the Redemption Date. The remaining proceeds of the Series 2020 Bonds shall be applied to pay issuance expenses and to fund the Reserve Subaccount described below, and any remaining amounts shall be deposited in the Revenue Bond Subaccount described hereinbelow.

3.2. Redemption of Refunded Bonds. The Finance Officer is directed to call the Refunded Bonds for redemption and prepayment on the Redemption Date, and to give, or cause to be given, notice of redemption in accordance with the Series 2013 Resolution.

### SECTION 4. SERIES 2020 REFUNDING BONDS ELECTRIC UTILITY ACCOUNT.

4.1. Bond Proceeds and Revenues Pledged and Appropriated. An account to be designated as the Series 2020 Refunding Bonds Electric Utility Account (the "Account") is established within the City's Electric Utility Fund and shall be maintained as a separate and special bookkeeping account on the official books of the City until all bonds payable from the Net Revenues of the 2013 Improvements (the "Bonds"), as provided in Section 5 hereof, have been fully paid, or the City's obligation with reference to the Bonds has been discharged as provided in this Resolution. All proceeds of the Series 2020 Bonds and all other funds hereafter received or appropriated for purposes of the 2013 Improvements are appropriated to the Account. All gross revenues derived from the operation of the 2013 Improvements are irrevocably pledged and appropriated and shall be credited to the Account as received. As described in Section 6.12 hereof, the City has imposed a separate surcharge for the availability, benefit and use of the 2013 Improvements as part of the Utility and shall aggregate the gross revenues derived from such surcharge and the 2013 Improvements, together with the expenses of operation and maintenance of the 2013 Improvements and shall account for them as provided in this Resolution; except as expressly stated in this Resolution, the pledges, appropriations, covenants and agreements of the City and the Subaccounts established within the Account by the Series 2013 Resolution apply only to the 2013 Improvements, its operations, revenues and expenses. The City has found that acquisition and construction of the 2013 Improvements will benefit all present and future users of the Utility, therefore the surcharge described in Section 6.12 has been imposed on all current and future users of the Utility. Such gross revenues shall include all gross income and receipts from rates, fees,

charges and rentals imposed for the availability, benefit and use of the 2013 Improvements as now constituted and of all replacements and improvements thereof and additions thereto, and from penalties and interest thereon, and from any sales of property acquired for the 2013 Improvements and all income received from the investment of such gross revenues; but not any taxes levied or amounts borrowed or received as grants for construction of any part of the 2013 Improvements. The Account shall be subdivided into separate subaccounts as designated and described in Sections 4.2 to 4.7, to segregate income and expenses received, paid and accrued for the respective purposes described in those sections. The gross revenues received in the Account shall be apportioned monthly or as soon as possible after the first day of each month, commencing the first calendar month following the delivery of the Series 2020 Bonds, which apportionment is hereinafter referred to as the "monthly apportionment."

4.2. Construction Subaccount. The Construction Subaccount shall be used only to pay as incurred and allowed costs which under generally accepted accounting principles are capital costs of such future reconstructions, improvements, betterments or extensions of the 2013 Improvements as may be authorized in accordance with law, including but not limited to payments due for work and materials performed and delivered under construction contracts, architectural, engineering, inspection, supervision, fiscal and legal expenses, the cost of lands and easements, interest accruing on Bonds during the first year following the date of their delivery, if and to the extent that the Revenue Bond Subaccount is not sufficient for payment of such interest, reimbursement of any advances made from other City funds, and all other expenses incurred in connection with the construction and financing of any such undertaking. To the Construction Subaccount shall be credited as received (i) all proceeds of Bonds, except amounts appropriated to the payment of the principal and interest to become due on refunded bonds, if any, the amounts appropriated to the Revenue Bond Subaccount under Section 4.4 and any amounts to be deposited to the Reserve Subaccount under Section 4.5, (ii) all other funds appropriated by the City for the 2013 Improvements, and (iii) all income received from the investment of the Construction Subaccount. The proceeds of any property insurance claim with respect to the 2013 Improvements received pursuant to Section 6.3 hereof shall be deposited in the Construction Subaccount and applied to the repair, replacement and restoration of the 2013 Improvements; any proceeds in excess of the amount necessary for that purpose shall be transferred to the Revenue Bond Subaccount.

4.3. Operating Subaccount. On each monthly apportionment there shall first be set aside and credited to the Operating Subaccount, as a first charge on the gross revenues of the 2013 Improvements, such amount as may be required over and above the balance then held in the Operating Subaccount to pay the reasonable and necessary Operating Expenses of the 2013 Improvements which are then due and payable, or are to be paid prior to the next monthly apportionment. The term "Operating Expenses" shall mean the current expenses, paid or accrued, of operation, maintenance and current repair of the 2013 Improvements, calculated in accordance with generally accepted accounting principles, and shall include, without limitation, administrative expenses of the City relating solely to the 2013 Improvements, premiums for insurance on the properties thereof, labor and the cost of materials and supplies used for current operation and for maintenance, and charges for the accumulation of appropriate reserves for current expenses which are not recurrent monthly but may reasonably be expected to be incurred in accordance with generally accepted accounting principles. Such operating expenses shall not include any allowance for depreciation or renewals or replacements of capital assets of the 2013 Improvements and shall not include any portion of the salaries or wages paid to any officer or employee of the

City, except such portion as shall represent reasonable compensation for the performance of duties necessary to the operation of the 2013 Improvements, nor any amount properly payable from any other account of the Account. Moneys in the Operation Subaccount shall be used solely for the payment of current operation expenses of the 2013 Improvements. The Net Revenues of the 2013 Improvements, as referred to in this Resolution, are hereby defined to include the entire amount of such gross revenues remaining after each such monthly apportionment, after crediting to the Operating Subaccount the amount required hereby.

4.4. Revenue Bond Subaccount. On the date of delivery of the Series 2020 Bonds to the Underwriter, any accrued interest on the Series 2020 Bonds will be deposited to the Revenue Bond Subaccount. Upon each monthly apportionment there shall be set aside and credited to the Revenue Bond Subaccount, out of the Net Revenues of the 2013 Improvements, an amount equal to not less than one-twelfth of the total sum of the principal and interest to become due within the then next succeeding twelve months on all Bonds. Moneys from time to time held in the Revenue Bond Subaccount shall be disbursed only to meet payments of principal and interest on Bonds as such payments become due, provided that on any date when all outstanding Bonds payable from the Revenue Bond Subaccount are due or prepayable by their terms, if the amount then on hand in the Revenue Bond Subaccount, together with the balance then on hand in the Reserve Subaccount, is sufficient, with other moneys available for the purpose, to pay all Bonds payable from the Revenue Bond Subaccount and the interest accrued thereon in full, it may be used for that purpose. If any payment of principal or interest becomes due when moneys in the Revenue Bond Subaccount are temporarily insufficient therefor, such payment shall be advanced out of any Net Revenues theretofore segregated and then on hand in the Reserve Subaccount, the Replacement and Depreciation Subaccount or the Surplus Subaccount. In the event that sufficient moneys are not available from the aforementioned sources, the City, to the extent it may at the time legally do so, may, but shall not be required to, temporarily advance moneys to the Revenue Bond Subaccount either from other revenues of the Utility or from other funds of the City on hand and legally available for the purpose, but any such advance shall be repaid from Net Revenues of the 2013 Improvements within 24 months.

4.5. Reserve Subaccount. There shall be credited to the Reserve Subaccount an amount equal to the Reserve Requirement, as defined in this Section 4.5. Said balance shall be maintained by such additional credits to the Reserve Subaccount as may be necessary. Moneys on hand in the Reserve Subaccount shall be used only to pay maturing principal and interest when other moneys in the Revenue Bond Subaccount are insufficient therefor. The Reserve Requirement shall be an amount equal to the least of (i) 10% of the proceeds of (ii) the maximum annual debt service due in any future calendar year (during the term of the outstanding bonds), on, or (iii) 125% of average annual debt service on the Series 2020 Bonds.

4.6. Replacement and Depreciation Subaccount. There shall next be set aside and credited, upon each monthly apportionment, to the Replacement and Depreciation Subaccount such portion of the Net Revenues, in excess of the current requirements of the Revenue Bond Subaccount and the Reserve Subaccount (which portion of the Net Revenues is referred to herein as Surplus Net Revenues), as the City Council shall determine to be required for the accumulation of a reasonable reserve for renewal of worn out, obsolete or damaged properties and equipment of the 2013 Improvements. Moneys in this account shall be used only for the purposes above stated or, if so directed by the City Council, to redeem Series 2020 Bonds which are prepayable according to their

terms, to pay principal or interest when due thereon as required in Section 4.4 hereof, or to pay the cost of improvements to the 2013 Improvements.

4.7. Surplus Subaccount. Any amount of the Surplus Net Revenues from time to time remaining after the above required applications thereof shall be credited to the Surplus Subaccount, and the moneys from time to time in that account, when not required to restore a current deficiency in the Revenue Bond Subaccount as provided in Section 4.4 hereof, may be used for any of the following purposes and not otherwise:

(a) To redeem and prepay Series 2020 Bonds when and as such Series 2020 Bonds become prepayable according to their terms;

(b) To purchase Series 2020 Bonds on the open market, whether or not the Series 2020 Bonds so purchased or other such Series 2020 Bonds may then be prepayable according to their terms; and, if the Reserve Subaccount is then funded to the full amount required to be maintained therein, and the balances in the Revenue Bond Subaccount and the Replacement and Depreciation Subaccount are sufficient to meet all payments required or reasonably anticipated to be made therefrom prior to the end of the current fiscal year, then;

(c) To pay for repairs of or for the construction and installation of improvements or additions to the 2013 Improvements, and if the Reserve Subaccount is then funded to the full amount required to be maintained therein, and the balances in the Revenue Bond Subaccount and the Replacement and Depreciation Subaccount are sufficient to meet all payments required or reasonably anticipated to be made therefrom prior to the end of the then current fiscal year, then:

(d) To be held as a reserve for redemption and prepayment of the Series 2020 Bonds which are not then but will later be prepayable according to their terms, subject to yield restriction requirements under the Code.

No moneys shall at any time be transferred from the Surplus Subaccount or any other account of the Account 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 assessment bonds or other obligations payable from other funds, except as provided in this section.

4.8. Deposit and Investment of Funds. The Finance Officer shall cause all moneys pertaining to the Account to be deposited as received with one or more banks which are duly qualified public depositories under the provisions of Chapter 4-6A, SDCL, in a deposit account or accounts, which shall be maintained separate and apart from all other account of the City, so long as any of the Series 2020 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 moneys shall at any time be withdrawn from such deposit accounts except for the purposes of the Account as authorized in this Resolution, except that moneys from time to time on hand in the Account may at any time, in the discretion of the City Council, be invested in securities permitted by the provisions of Section 4-5-6, SDCL, provided that moneys on hand in the Reserve Subaccount may be invested only in permitted investments maturing and bearing interest at the

times and in the amounts estimated to be required to provide cash when needed for the purposes of the respective subaccounts, further provided that the Replacement and Depreciation Subaccount and the Surplus Subaccount may be invested in such securities maturing not later than ten years from the date of the investment, and provided further that moneys in the Surplus Subaccount may, in the discretion of the City Council, be invested in any securities which are direct, general obligations of the City. Income received from the deposit or investment of moneys shall be credited to the account from whose moneys and deposit was made or the investment was purchased, and handled and accounted for in the same manner as other moneys in that account. The investment of the moneys on deposit in the Revenue Bond Subaccount is further restricted by the provisions of Section 9 hereof.

4.9. Additional Revenues or Collateral. The City reserves the right at any time to pledge additional moneys, revenues or collateral as security for the Series 2020 Bonds. Such pledge shall not be effective unless and until the City receives, and provides to the Registrar an opinion of, nationally recognized bond counsel stating that such pledge will not adversely affect the validity or tax exemption of the Series 2020 Bonds then outstanding.

## SECTION 5. PRIORITIES.

5.1. Priority of Bond Payments. Each and all of the Series 2020 Bonds shall be equally and ratably secured by and payable out of the Net Revenues of the 2013 Improvements without preference or priority of any one Series 2020 Bond over any other by reason of serial number or otherwise, provided that if at any time the Net Revenues of the 2013 Improvements are insufficient to pay principal and interest then due on all Series 2020 Bonds, any and all moneys then on hand shall be first used to pay the interest accrued on all outstanding Series 2020 Bonds, and the balance shall be applied toward payment of the maturing principal of Series 2020 Bonds in order of their maturities, the earliest maturing Series 2020 Bonds to be paid first, and pro-rata in payment of Series 2020 Bonds maturing on the same date.

5.2. Refunding Revenue Bonds. The City reserves the right and privilege of refunding any or all of the Series 2020 Bonds, but only subject to the following terms and conditions:

(a) Any matured Series 2020 Bonds may be refunded if moneys available for the payment thereof at maturity, within the limitation prescribed in Section 5.1 hereof, should at any time be insufficient to make such payment in full.

(b) Any Series 2020 Bonds may be refunded prior to maturity, as and when they become prepayable according to their terms.

(c) Provision may be made for the payment and refunding of any unmatured Series 2020 Bonds by the deposit with a duly qualified depository bank, as escrow agent, of a sufficient amount of cash, or of Series 2020 Bonds or other general obligations of the United States, or of securities whose principal and interest payments are guaranteed by the United States, to pay the principal amount of such outstanding Series 2020 Bonds with interest to the earliest subsequent date, if any, upon which the same may be called for redemption and prepayment, and with interest to the maturity of any such Series 2020 Bonds which are not subsequently prepayable.

(d) Any refunding revenue bonds issued for the above purposes may be made payable from the Net Revenues of the 2013 Improvements on a parity as to interest with all then outstanding Series 2020 Bonds, provided that (1) the maturity of each refunding revenue bond shall be subsequent to the last maturity of any then outstanding Series 2020 Bonds which are not refunded or to be refunded out of moneys on deposit with such escrow agent, and (2) no bondholder shall be required to accept a refunding revenue bond in exchange for any Series 2020 Bond owned by him.

(e) The final maturity of the refunding bonds may not exceed the final maturity of the bonds being refunded, and the maximum annual debt service on the refunding bonds may not exceed 125% of the maximum annual debt service on the bonds being refunded.

## SECTION 6. COVENANTS.

6.1. General. The City covenants and agrees with the registered owners from time to time of all Series 2020 Bonds that the recitals contained in Section 1 are correct, and that, subject to Section 6.5 hereof, until all Series 2020 Bonds are fully discharged as provided in this Resolution, it will continue to hold, maintain and operate the Utility and the 2013 Improvements as a part thereof, as a public utility and convenience, free from all liens thereon or on the income therefrom other than the liens herein granted or provided for, will observe prudent utility practices, and will maintain, expend and account for the Account and the several subaccounts therein as provided in Section 4, and will perform and cause all officers and employees of the City to perform and enforce each and all of the additional covenants and agreements set forth in this section.

6.2. Competing Service. The City will not establish or authorize the establishment of any other system for the public supply of service or services in competition with any or all of the services supplied by the facilities of the Utility or the 2013 Improvements.

6.3. Property Insurance. The City will cause all buildings, properties, fixtures and equipment constituting a part of the Utility or the 2013 Improvements to be kept insured with a reputable insurance carrier or carriers, qualified under the laws of the State, or a qualified municipal insurance pool, in such amounts as are ordinarily carried, and against loss or damage by such hazards and risks as are ordinarily insured against by public utilities owning and operating properties of a similar character and size, provided that if at any time the City is unable to obtain insurance, it will obtain insurance in such amounts and against risks as are reasonably obtainable. The proceeds of all such insurance shall be available for the repair, replacement or reconstruction of damaged or destroyed property, and any proceeds attributable to the 2013 Improvements shall be deposited in the Construction Subaccount and applied as provided in Section 4.2 hereof, and until paid out in making good such loss or damage, are pledged as security for the outstanding Series 2020 Bonds issued hereunder. If for any reason insurance proceeds are insufficient for the repair, replacement and reconstruction of the insured property constituting a part of the 2013 Improvements, the City shall supply the deficiency from revenues on hand in the Replacement and Depreciation Subaccount and the Surplus Subaccount, and may supply it from any other City funds, but is not obligated to the registered owners so to do unless the deficiency results from breach of the covenant in this section.

6.4. Liability Insurance and Surety Bonds. The City will carry insurance against liability of the City and its employees for damage to persons and property resulting from the operation of the Utility, and the 2013 Improvements as a part thereof, in amounts the City determines from time to time to be necessary or advisable by reason of the character and extent of such operation. It will also cause all persons handling money and other assets of the Utility and the Account to be adequately bonded for the faithful performance of their duties and to account for and pay over such money to the City. All amounts received under such insurance and bonds shall be applied to the payment of the loss or damage covered thereby. The premiums for all insurance and bonds required by this section and by Section 6.3 constitute part of the Operating Expenses of the 2013 Improvements, but no insurance liabilities of the City shall constitute a lien or charge on revenues or any other assets herein or otherwise pledged to the Revenue Bond Subaccount. Such insurance may be obtained through a qualified municipal insurance pool.

6.5. Disposition of Property. The City will not mortgage, lease, sell or otherwise dispose of any real or personal properties of the Utility, unless:

(a) Prior to or simultaneous with such mortgage, lease, sale or other disposition, all of the outstanding Series 2020 Bonds shall be discharged as provided in Section 8; or

(b) The properties to be mortgaged, leased sold or otherwise disposed of are unserviceable, inadequate, obsolete or no longer required for use in connection with the Utility, and all proceeds of the mortgage, lease, sale or other disposition of such properties are deposited into the Account.

6.6. Books and Records. The City will cause proper and adequate books of record and account to be kept showing complete and correct entries of all receipts, disbursements and other transactions relating to the Utility, and the 2013 Improvements as a part thereof, the gross revenues derived from the operation of the 2013 Improvements, and the segregation and application of the gross revenues in accordance with this Resolution, in such reasonable detail as may be determined by the City in accordance with generally accepted accounting practice and principles. It will cause such books to be maintained on the basis of a fiscal year commencing January 1 and ending December 31, or such other period as the City Council may determine, and to be audited annually. The audit will be completed within 365 days after the close of each alternate fiscal year by the Department of Legislative Audit or by an independent certified public accountant, who shall be an accountant or firm of such accountants duly licensed, registered and entitled to practice and practicing as such under the laws of the State, appointed and paid by the City, who or which is in fact independent and not under the domination of the City, does not have any substantial interest, direct or indirect, within the City, and is not connected with the City as an officer or employee but may be regularly retained to make annual or other periodic reports to the City.

6.7. Cost of Insurance and Accounting. The insurance and fidelity bond premiums and the cost of the bookkeeping and audits herein provided for and of the billings and collection of the electric utility rates, charges and rentals, with respect to the Utility, shall be payable from the Operating Subaccount.

6.8. Handling of Funds. The employees of the City, under the direction and control of the Finance Officer, shall keep books of accounts, issue statements and collect bills for the rates,

charges and rentals for the services and facilities provided by the Utility and the 2013 Improvements and for other money currently receivable on account thereof and shall, to the extent required by Section 6.10, provide for the discontinuance of service in case of nonpayment for services or noncompliance with regulations. All money collected with respect to the Utility shall be deposited daily with the Finance Officer. In the event of default on the part of the City in the payment of principal of or interest on any Series 2020 Bond promptly as each falls due, or in the keeping of any covenants herein contained, and if such default shall continue for a period of ninety days the Council will appoint a special superintendent for the 2013 Improvements, with the power and responsibility to operate the 2013 Improvements for the City, and to recommend to the Council such revisions of the rates and charges and operating policies as may be necessary to comply with this Resolution, and to assure that the Net Revenues will be sufficient to pay all principal of and interest on Series 2020 Bonds, and the special superintendent shall in all things so operate the 2013 Improvements as to comply fully with all the requirements and provisions of this Resolution. The right of the registered owners of the Series 2020 Bonds to require employment of such a superintendent shall not be exclusive, and in the event of a default as herein outlined, such registered owner or owners shall have the right to proceed at law or in equity to require the performance of the covenants herein contained, in any form of action which shall to them seem appropriate. The rights and obligations of this section shall be subject to the provisions of Section 9-40-33 of the Act.

6.9. Rules and Regulations. The rules and regulations for operation of the Utility and the 2013 Improvements and the use of electric utility service from the 2013 Improvements shall be as provided in the existing ordinances and resolutions of the City, and any ordinances and resolutions subsequently adopted amendatory thereof or supplemental thereto.

6.10. Billings. The charges for electric utility services will be billed at least monthly, and if the bill is not paid within sixty days of the date of billing, or if the customer fails to comply with all rules and regulations established for the Utility within sixty days after notice of violation thereof (which notice shall be given promptly upon discovery of any such violation), the service to the premises involved shall be discontinued and shall not be resumed until payment of all past-due bills for electric utility service and compliance with all such rules and regulations, all subject to applicable State law with respect to utility disconnection. The City shall take all appropriate legal action to collect the unpaid charges.

6.11. Remedies. Any registered owner of any Series 2020 Bond shall have the right, either at law or in equity, by suit, action or other proceedings, to protect and enforce the rights of all registered owners of the Series 2020 Bonds and to compel the performance of any and all of the covenants required herein to be performed by the City, and its officers and employees, including but not limited to the fixing and maintaining of rates, fees and charges and the collection and proper segregation of gross revenues and the application and use thereof. The registered owners of a majority in principal amount of outstanding Series 2020 Bonds shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the bondholders or the exercise of any power conferred on them, and the right to waive a default in the performance of any such covenant, and its consequences, except a default in the payment of the principal of or interest on any Series 2020 Bond when due. However, nothing herein shall impair the absolute and unconditional right of the registered owner of each Series 2020 Bond to receive payment of the principal of and interest on the Series 2020 Bond as such principal and interest respectively

become due, and to institute suit for any such payment, any court having jurisdiction of the action may appoint a receiver to administer the 2013 Improvements on behalf of the City with power to charge and collect rates, fees and charges sufficient to provide for the payment of the operating expenses and for the payment of any bonds or obligations outstanding against the 2013 Improvements, and to apply the gross revenues in conformity with this Resolution and the laws of the State.

6.12. Rates and Charges. The City through the City Council will maintain, revise, charge and collect rates and other charges for service furnished and made available by the 2013 Improvements, according to schedules such that the gross revenues derived therefrom will be sufficient, when combined with other available funds, to pay when due all expenses of the operation and maintenance of the 2013 Improvements, and all principal of and interest on Series 2020 Bonds, to provide for the establishment and maintenance of adequate reserves therefor, and to provide an allowance adequate for recurring renewals and replacements of the 2013 Improvements, and to fulfill the terms of all other agreements with registered owners of the City's bonds. Such rates and charges shall at all times be sufficient to produce Net Revenues (as defined in Section 4.3) for each fiscal year at least equal to (i) 100% of the principal of and interest on the Series 2020 Bonds coming due in such fiscal year (net of any contribution expected from reserve funds in the final year of a bond issue), and (ii) together with the balance in the Surplus Subaccount generated in the preceding Fiscal Year, 115% of the principal of and interest on the Series 2020 Bonds coming due in the fiscal year. The rates and charges with respect to the 2013 Improvements shall be in the form of a separately stated surcharge on the municipal utilities rate schedule; in calculating the surcharge the City and the Council shall allocate to the 2013 Improvements their share of the expenses of operation and maintenance and allowances for renewal and replacement as well as the requirements to pay principal of and interest on the Series 2020 Bonds, to maintain the Reserve Subaccount, and to repay the Utility or any other funds of the City for moneys advanced in accordance with Section 4.4 hereof.

## SECTION 7. AMENDMENTS.

7.1. Amendments Without Bondholder Consent. The City may, by administrative resolution adopted prior to the delivery of the Series 2020 Bonds to the Underwriter, amend this Resolution. The City reserves the right to amend this Resolution following delivery of the Series 2020 Bonds from time to time and at any time, for the purpose of (i) curing any ambiguity or of curing, correcting or supplementing any defective provision contained herein, or (ii) making such provisions with regard to matters or questions arising hereunder as the City may deem necessary or desirable and not inconsistent with this Resolution, and which shall not adversely affect the interests or security of the registered owners of outstanding Series 2020 Bonds, or (iii) adding to the covenants and agreements herein contained, or to the gross revenues herein pledged, other covenants and agreements thereafter to be observed and additional gross revenues thereafter appropriated to the Account, or (iv) surrendering any right or power herein reserved to or conferred upon the City. Any such amendment may be adopted by resolution, without the consent of the registered owners of any of the Series 2020 Bonds.

7.2. Amendments With Bondholder Consent. With the consent of the registered owners of Series 2020 Bonds as provided in Section 7.3, the City may from time to time and at any time amend this Resolution by adding any provisions hereto or changing in any manner or eliminating

any of the provisions hereof or of any amending resolution, provided, however, that no amending resolution shall be adopted at any time without the consent of the registered owners of all Series 2020 Bonds which are then outstanding, if it would extend the maturities of any Series 2020 Bonds, would reduce the rate or extend the time of payment of interest thereon, would reduce the amount or extend the time of payment of the principal or redemption premium thereof, would give to any Series 2020 Bond or Series 2020 Bonds any privileges over any other Series 2020 Bond or Series 2020 Bonds, would reduce the sources of gross revenues appropriated to the Account, would authorize the creation of a pledge of said gross revenues prior to or on a parity with the Series 2020 Bonds (except as is authorized by Section 5), or would reduce the percentage in principal amount of such Series 2020 Bonds required to authorize or consent to any such amendment.

7.3. Notice and Consent. Any amendment adopted pursuant to Section 7.2 shall be made by resolution, mailed to each registered owner of a Series 2020 Bond affected thereby, and shall become effective only upon the filing of written consents with the Finance Officer, signed by the registered owners of not less than two-thirds in principal amount of the Series 2020 Bonds which are then outstanding or, in the case of an amendment not equally affecting all outstanding Series 2020 Bonds, by the registered owners of not less than two-thirds in principal amount of the Series 2020 Bonds adversely affected by such amendment. Any written consent to an amendment may be embodied in and evidenced by one or any number of concurrent written instruments of substantially similar tenor signed by registered owners in person or by agent duly appointed in writing, and shall become effective when delivered to the Finance Officer. Any consent by the registered owner of any Series 2020 Bond shall bind such owner and every future registered owner of the same Series 2020 Bond with respect to any amendment adopted by the City pursuant to such consent. In the event that consents of the registered owners of the required amount of Series 2020 Bonds have not been received by the Finance Officer within one year after the mailing of notice of the amendment, the amendment and all consents theretofore received shall be of no further force and effect.

7.4. Proof. Proof of the execution of any consent, or of a writing appointing any agent to execute the same, or of the ownership by any person of Series 2020 Bonds, shall be sufficient for any purpose of this Resolution and shall be conclusive in favor of the City if made in the manner provided in this section. The fact and date of the execution by any person of any such consent or appointment may be proved by the affidavit of a witness of such execution or by the certification of any notary public or other officer authorized by law to take acknowledgment, certifying that the person signing it acknowledged to him the execution thereof. The amount of Series 2020 Bonds held by any person by or for whom a consent is given, and the distinguishing numbers of such Series 2020 Bonds, and the date of his holding the same, shall be proved by the bond register. The fact and date of execution of any such consent may also be proved in any other manner which the City Council may deem sufficient; but the City Council may nevertheless, in its discretion, require further proof in cases where it deems further proof desirable.

## SECTION 8. DEFEASANCE.

8.1. General. When the liability of the City on all Series 2020 Bonds issued under and secured by this Resolution and all interest thereon has been discharged as provided in this section, all pledges, covenants and other rights granted by this Resolution to the registered owners of such Series 2020 Bonds shall cease.

8.2. Payment. The City may discharge its liability with reference to any Series 2020 Bonds which are due on any date by depositing with the Registrar for such Series 2020 Bonds on or before the date a sum sufficient for the payment thereof in full; or if any Series 2020 Bond shall not be paid when due, the City may nevertheless discharge its liability with reference thereto by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

8.3. Redemption. The City may also discharge its liability with reference to any Series 2020 Bonds which are called for redemption on any date in accordance with their terms, by depositing with the Registrar on or before that date an amount equal to the principal, interest and redemption premium, if any, which are then due thereon, provided that notice of such redemption has been duly given as provided in this Resolution.

8.4. Escrow. The City may also at any time discharge its liability in its entirety with reference to any Series 2020 Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by calling such Series 2020 Bonds for redemption on the next date when they may be prepaid in accordance with their terms, by giving the notice required for such redemption or giving irrevocable instructions to the escrow agent described below to give such notice, and by depositing irrevocably in escrow, with a bank or trust company qualified by law as an escrow agent for this purpose, cash or securities which are direct non-callable obligations of the United States and are authorized by law to be so deposited, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without reinvestment, to provide funds sufficient to pay all principal, interest and redemption premiums, if any, to become due on such Series 2020 Bonds on or before said redemption date. No defeasance, other than a cash defeasance in connection with a current refunding, shall be made pursuant to this section unless there has first been presented to the escrow agent (i) a verification report as to the adequacy of the escrow prepared by an independent nationally-recognized certified public accountant and (ii) a written opinion of nationally-recognized bond counsel that such defeasance shall not cause the interest on any outstanding Series 2020 Bonds to be included in the gross income of the registered owners thereof for federal income tax purposes.

## SECTION 9. TAX MATTERS.

9.1. The 2013 Improvements. The Utility is and will be owned and operated by the City and used by the City to provide electric services to members of the general public. No user of the Utility is granted any concession, license or special arrangement. The City shall not enter into any lease, use or other agreement with any non-governmental person relating to the use of the Utility or the 2013 Improvements or security for the payment of the Series 2020 Bonds which might cause the Series 2020 Bonds to be considered "private activity bonds" or "private loan bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code").

9.2. General Covenant. The City covenants and agrees with the registered owners from time to time of the Series 2020 Bonds that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest on the Series 2020 Bonds to become includable in gross income for federal income tax purposes under the Code and applicable Treasury Regulations (the "Regulations"), and covenants to take any and all actions

within its powers to ensure that the basic interest on the Series 2020 Bonds will not become includable in gross income for federal income tax purposes under the Code and the Regulations.

9.3. Certification. The Mayor and the Finance Officer, being the officers of the City charged with the responsibility for issuing the Series 2020 Bonds pursuant to this Resolution, are hereby authorized and directed to execute and deliver to the purchaser thereof a certificate in accordance with the provisions of Section 148 of the Code, and Section 1.148-2(b) of the Regulations, stating that on the basis of facts, estimates and circumstances in existence on the date of issue and delivery of the Series 2020 Bonds, it is reasonably expected that the proceeds of the Series 2020 Bonds will be used in a manner that would not cause the Series 2020 Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations.

9.4. Qualified Tax-Exempt Obligations. It is hereby determined that the portion of the Series 2020 Bonds which is equal to the outstanding principal amount of the Refunded Bonds, \$2,735,000, is deemed designated as "qualified tax-exempt obligations" as provided in Section 265(b)(3)(D) of the Code, since:

(a) the Refunded Bonds, when issued, were designated by the City as qualified tax-exempt obligations under Section 265(b) of the Code;

(b) the aggregate face amount of the issue of which the Series 2020 Bonds are a part does not exceed \$10,000,000;

(c) the weighted average maturity of the Series 2020 Bonds is not expected to exceed the remaining weighted average maturity of the Refunded Bonds; and

(d) no Series 2020 Bond is expected to have a maturity date which is later than thirty (30) years after the date of issuance of any bonds refunded by the Refunded Bonds which were designated as qualified tax-exempt obligations.

The City hereby designates the principal amount of Series 2020 Bonds which is not able to be deemed designated as provided hereinabove as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code, and hereby finds that the reasonably anticipated amount of tax-exempt obligations which are not private activity bonds (not treating qualified 501(c)(3) bonds under Section 145 of the Code as private activity bonds for the purpose of this representation) and are not excluded from this calculation by Section 265(b)(3)(C)(ii) of the Code and which will be issued by the City and all subordinate entities during calendar year 2020 does not exceed \$10,000,000.

9.5. Arbitrage Rebate Exemption. It is hereby found that the City has general taxing powers, that (i) the aggregate face amount of the issue of which the Series 2020 Bonds are a part does not exceed \$5,000,000; (ii) the Refunded Bonds were issued as part of an issue which was treated as meeting the requirements of Section 148(f)(2) and (3) of the Code by reason of Section 148(f)(4)(D) thereof; (iii) the average maturity date of the Series 2020 Bonds is not later than the remaining average maturity of the Refunded Bonds and (iv) no Series 2020 Bond has a maturity date which is later than 30 years after the date of issuance of any Refunded Bond. Therefore, pursuant to Section 148(f)(4)(D)(v) of the Code, the City shall not be required to comply with the arbitrage rebate requirements of paragraphs (2) and (3) of Section 148(f) of the Code.

SECTION 10. CONTINUING DISCLOSURE. The City acknowledges that the Series 2020 Bonds are subject to the continuing disclosure requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12) (as in effect and interpreted from time to time, the Rule). The Rule governs the obligations of certain underwriters to require that issuers of municipal obligations enter into agreements for the benefit of the holders of the obligations to provide continuing disclosure with respect to the obligations. To provide for the public availability of certain information relating to the Series 2020 Bonds and the security therefor and to permit participating underwriters in the primary offering of the Series 2020 Bonds to comply with the Rule, which will enhance the marketability of the Series 2020 Bonds, the Mayor and Finance Officer are hereby authorized and directed to execute a Continuing Disclosure Agreement (the Agreement), by which the City agrees to provide such information, either directly or through a disclosure agent. The City hereby covenants and agrees to observe and perform the covenants and agreements contained in the Agreement, unless amended or terminated in accordance with the provisions thereof, for the benefit of the registered owners or beneficial owners from time to time of the Outstanding Series 2020 Bonds as provided in the Agreement.

SECTION 11. CERTIFICATION OF PROCEEDINGS. The officers of the City are authorized and directed to prepare and furnish to the Underwriter and to Dorsey & Whitney LLP, Bond Counsel, certified copies of all proceedings and records of the City relating to the authorization and issuance of the Series 2020 Bonds and such other affidavits and certificates as may reasonably be required to show the facts relating to the legality and marketability of the Series 2020 Bonds as such facts appear from the officers' books and records or as are otherwise known to them. All such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the City as to the correctness of the facts recited therein and the actions stated therein to have been taken.

Dated this 3<sup>rd</sup> day of December, 2019.

(SEAL)

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Mayor

ATTEST:

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Finance Officer

Adopted: December 3<sup>rd</sup>, 2019.

Published: December 11<sup>th</sup>, 2019.

Effective Date: December 31<sup>st</sup>, 2019.

4847-1542-16123

## Agenda Action Form Flandreau City Council

Meeting Date: 12/2/2019

**Title:** Resolution 2019-16 – A Resolution Regarding the Plat of Lots 3A and 4A of Flandreau Industrial Park Second Addition

Motion       Resolution       Ordinance       Other

**Background Information:** Flandreau Development Corporation has submitted a proposed Plat of Lots 3A and 4A of Flandreau Industrial Park Second Addition for approval by City Council. Brian and Betty Anderson, dba B&B RV Storage and Service, submitted a request to the Flandreau Development Corporation for additional land contiguous to their existing property in the Industrial Park in order to expand their business. A modified plat was needed to complete the sale of additional land to the Andersons.

**Justification:** Business expansion

**Financial Consideration:** None

**City Administrator's Recommendation:** Approve

**Attachments:** Resolution 2019-16 – A Resolution Regarding the Plat of Lots 3A and 4A of Flandreau Industrial Park Second Addition

**RESOLUTION NO. 2019-16**

**A RESOLUTION REGARDING THE PLAT OF  
LOTS 3A AND 4A OF FLANDREAU INDUSTRIAL  
PARK SECOND ADDITION TO THE CITY OF FLANDREAU**

**WHEREAS**, a plat of the following real property, "**PLAT OF LOTS 3A AND 4A OF FLANDREAU INDUSTRIAL PARK SECOND ADDITION TO THE CITY OF FLANDREAU, MOODY COUNTY, SOUTH DAKOTA**" has been submitted for approval by the Flandreau City Council; and

**WHEREAS**, upon examination of said plat it appears that the system of streets set forth therein conforms to the system of streets of the existing plat of the City of Flandreau and that all provisions of any subdivision regulations have been complied with and that all taxes and special assessments upon the tract have been fully paid, and the said plat and the survey hereof have been executed according to law.

**THEREFORE, BE IT RESOLVED** by the City Council of the City of Flandreau, South Dakota, that the plat known and described as Lots 3A and 4A of Flandreau Industrial Park Second Addition to the City of Flandreau, Moody County, South Dakota, prepared by Jeffery C. Schievelbein, be and the same is hereby approved and the description set forth therein on the accompanying Surveyor's Certificate shall prevail.

Dated at Flandreau, South Dakota, this 3<sup>rd</sup> day of December, 2019.

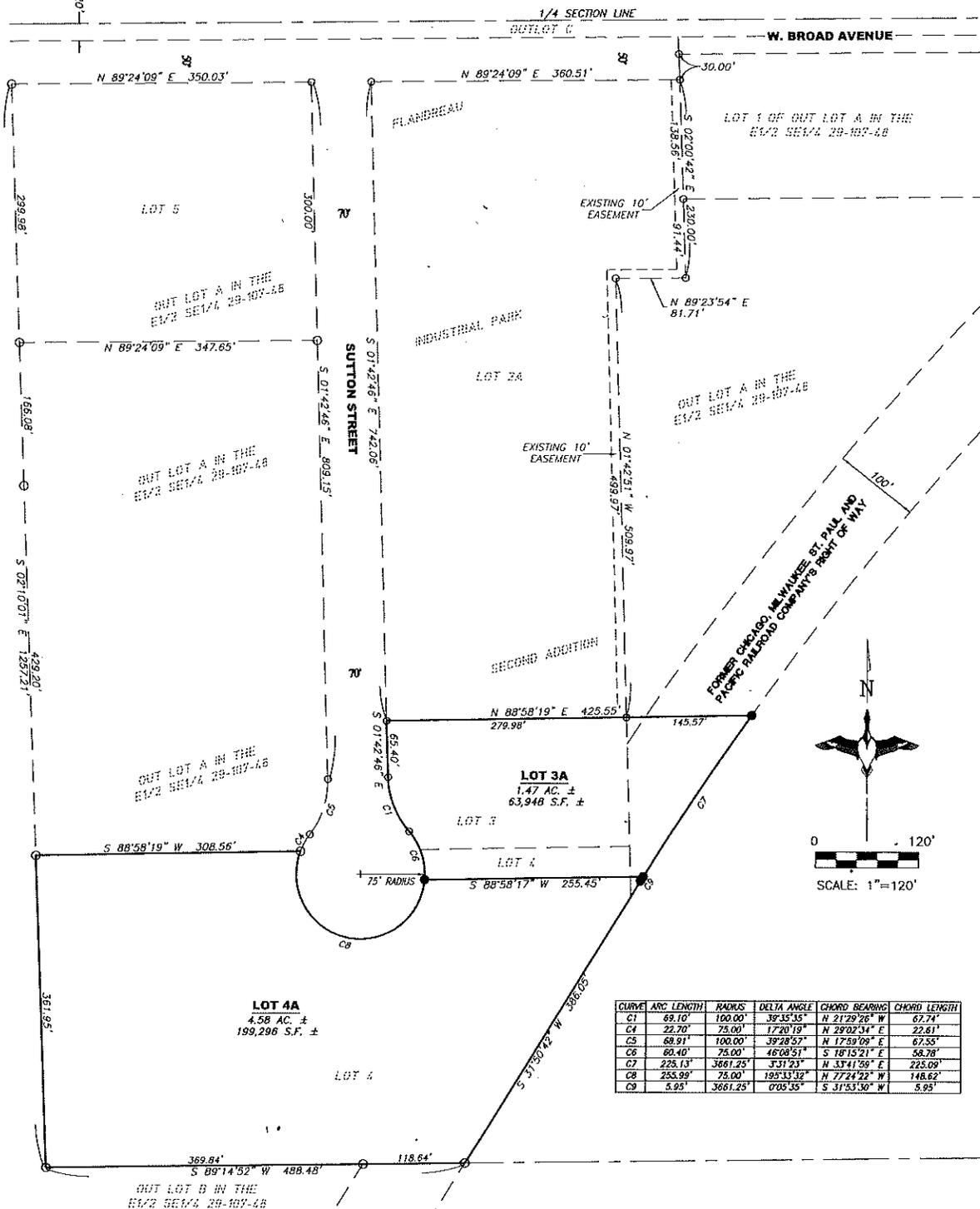
\_\_\_\_\_  
Mark R. Bonrud  
Mayor

ATTEST:

\_\_\_\_\_  
Karen Gundvaldson  
Finance Officer

Adopted: December 3<sup>rd</sup>, 2019  
Published: December 11<sup>th</sup>, 2019  
Effective: December 31<sup>st</sup>, 2019

# PLAT OF LOTS 3A AND 4A OF FLANDREAU INDUSTRIAL PARK SECOND ADDITION TO THE CITY OF FLANDREAU, MOODY COUNTY, SOUTH DAKOTA.



CURVE	ARC LENGTH	RADIUS	DELTA ANGLE	CHORD BEARING	CHORD LENGTH
C1	69.10'	100.00'	39°35'35"	N 21°29'26" W	67.74'
C4	22.70'	75.00'	17°20'19"	N 29°02'34" E	22.61'
C5	68.91'	100.00'	39°28'57"	N 17°59'09" E	67.55'
C6	60.40'	75.00'	46°08'51"	S 10°15'21" E	58.78'
C7	228.13'	3661.25'	3°31'23"	N 33°41'56" E	228.09'
C8	255.99'	75.00'	195°33'12"	N 77°24'22" W	148.62'
C9	5.95'	3661.25'	0°05'55"	S 31°53'30" W	5.95'

**LEGEND:**

- SET 5/8" REBAR W/CAP #10141
- F.D. MONUMENT
- △ SECTION CORNER (AS NOTED)
- (R) RECORD INFORMATION
- AC. ACRES
- A.E. ACCESS EASEMENT
- R/W RIGHT-OF-WAY
- N.T.S. NOT TO SCALE
- FD. FOUND
- RIGHT OF WAY LINE
- PREVIOUSLY PLATTED

NOTES:  
BASIS OF BEARINGS IS UTM-ZONE 14

THIS PLAT WAS PREPARED WITHOUT THE BENEFIT OF A TITLE COMMITMENT.

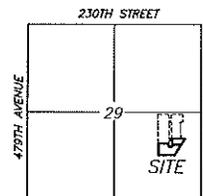
EASEMENTS OF RECORD WERE NOT RESEARCHED AND ARE NOT SHOWN ON THE PLAT.



PREPARED BY:

**Midwest**  
*Land Surveying, Inc.*

Land Surveying and GPS Consulting  
211 E. 14th Street Suite 100  
Sioux Falls, South Dakota 57104  
Phone: (605) 339-8901 FAX: (605) 274-8951



231ST STREET  
**AREA MAP** N.T.S.  
SECTION 29, T107N, R48W  
5TH P.M.

**Agenda Action Form  
Flandreau City Council**

Meeting Date: 12/2/2019

**Title:** Resolution 2019-17 – Transfer from Contingency Fund

Motion       Resolution       Ordinance       Other

**Background Information:** Per South Dakota Codified Law (SDCL), the budgeted line item for contingencies may be transferred, by resolution of Council, to any other appropriation in which insufficient amounts were provided or for items for which no appropriation was provided.

**Justification:** Required per SDCL 9-21-6.1

**Financial Consideration:** Transfer contingency funds for fiscal year 2019

**City Administrator's Recommendation:** Approval

**Attachments:** Resolution 2019-17 – Transfer from Contingency; and Contingency Transfer Notes

**RESOLUTION 2019-17**  
**TRANSFER FROM CONTINGENCY FUND**

**WHEREAS**, the City of Flandreau, South Dakota, has included in the 2019 Appropriation Ordinance No. 587 a contingency item which may be appropriated by Resolution of the Governing Body to any other appropriation amount that is deemed insufficient during the year, and

**WHEREAS**, the 2019 Appropriations for General Government, General Financial Administration, \$6,800; Public Safety, Civil Defense, \$28,670; and Public Works, Cemeteries, \$10,500, are insufficient and it was deemed necessary that \$45,970 of the Contingency Appropriation be transferred accordingly, and

**WHEREAS**, item expenditures for which appropriations were exceeded were non-operational in nature and constituted project and program expenditures of which the City Council was aware,

**NOW THEREFORE, BE IT RESOLVED THAT** the City Council of the City of Flandreau, South Dakota, does hereby declare that authorization to transfer \$45,970 from the Contingency Appropriation to the insufficient budget items stated above be hereby granted.

**BE IT FURTHER RESOLVED THAT** the means for financing the insufficient budget items is from the use of designated and undesignated cash on hand.

Dated this 3<sup>rd</sup> day of December 2019, at Flandreau, South Dakota.

\_\_\_\_\_  
Mark R. Bonrud  
Mayor

ATTEST:

\_\_\_\_\_  
Jeff Pederson  
City Administrator

Adopted: December 3<sup>rd</sup>, 2019  
Published: December 11<sup>th</sup>, 2019  
Effective: December 31<sup>st</sup>, 2019

# Contingency Transfer Notes

1

## General Fund (101)

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**TOTAL 2019 CONTINGENCY TRANSFER \$45,970: paid using undesignated cash reserves**

- **410 General Government**

- 414.70 *General Financial Administration* **\$6,800**
  - *Moody County Cares:* \$1,000.00
  - *iWorq System:* \$4,000.00
  - *Spruce Up Paint Program:* \$1,000.00
  - *Code Red:* \$400.00
  - *Bicycles for Bike Path Event:* \$400.00

- **420 Public Safety**

- 429.40 *Civil Defense* **\$28,670**
  - *Community Safe Room #2:*
    - *Additional funds needed over budgeted amount for Bid and Engineering,* \$26,550.00
    - *Geotek,* \$1,820.00
    - *Advertising,* \$300.00

- **430 Public Works**

- 431.10 *Cemetery* **\$10,500**
  - *New Mower, Supplies, Repairs:* \$10,462.

## Agenda Action Form Flandreau City Council

Meeting Date: 12/2/2019

**Title:** Ordinance 592 – 2019 Supplemental Appropriation Ordinance

Motion       Resolution       Ordinance       Other

**Background Information:** Per SDCL 9-21-7, the current fiscal year budget may be supplemented in the event the amount that had been appropriated is deemed insufficient to cover the expense of a fund or department. Upon review and comparison of year to date expense (factoring estimated expenditures through December 31, 2019) to the 2019 appropriated amount set forth in Ordinance 587, it has been determined that a Supplemental Ordinance is necessary in an amount totaling \$54,800.00. Attached Ordinance 592 reflects the amounts to be supplemented. The attached Supplemental Budget Notes provide narrative to justify the requested supplemental amount. Per SDCL 9-19-7, the Ordinance shall be read twice with at least five days intervening between the first and second reading. The first reading will take place December 2<sup>nd</sup>; the second reading will take place December 16<sup>th</sup>.

**Justification:** Required per SDCL 9-19-7 and 9-21-7

**Financial Consideration:** Appropriate supplemental funds for fiscal year 2019

**City Administrator's Recommendation:** Approval

**Attachments:** Ordinance 592 – Supplemental Appropriation Ordinance, an Ordinance to Supplement Ordinance 587, the 2019 Appropriation Ordinance; Supplemental Budget Notes

**Ordinance No. 592**  
**SUPPLEMENTAL APPROPRIATION ORDINANCE**  
**AN ORDINANCE TO SUPPLEMENT ORDINANCE NO. 587, THE 2019 APPROPRIATION ORDINANCE**

BE IT ORDAINED by the City of Flandreau, South Dakota, that the following sums be appropriated to meet the obligations of the municipality.

	GOV FUND		TOTAL
<b>410 GENERAL GOVERNMENT</b>			
414.60 Insurance and Bonds	1,000.00	\$	1,000.00
414.70 General Financial Admisitration	48,000.00	\$	48,000.00
<b>TOTAL</b>	<b>\$ 49,000.00</b>	<b>\$</b>	<b>49,000.00</b>
<b>430 PUBLIC WORKS</b>			
438.10 Cemeteries	1,900.00	\$	1,900.00
<b>TOTAL</b>	<b>\$ 1,900.00</b>	<b>\$</b>	<b>1,900.00</b>
<b>440 HEALTH &amp; WELFARE</b>			
441.20 Animal Control	500.00	\$	500.00
<b>TOTAL</b>	<b>\$ 500.00</b>	<b>\$</b>	<b>500.00</b>
<b>450 CULTURE &amp; RECREATION</b>			
456.10 Armory	400.00	\$	400.00
456.20 Community Center	3,000.00	\$	3,000.00
<b>TOTAL</b>	<b>\$ 3,400.00</b>	<b>\$</b>	<b>3,400.00</b>
<b>COMBINED TOTALS</b>	<b>\$ 54,800.00</b>	<b>\$</b>	<b>54,800.00</b>

The following is a summary by funds of the appropriate amounts and the means of financing them.

<b>MEANS OF FINANCE</b>			
Applied Cash	54,800.00		54,800.00
<b>TOTAL</b>	<b>\$ 54,800.00</b>	<b>\$</b>	<b>54,800.00</b>

This ordinance is for the support of the municipal Government of the City of Flandreau, South Dakota and its existing institution and is hereby declared to be an emergency ordinance to be in full force and effect after its passage and publication or its passage over the veto of the Mayor if the same be not approved.

\_\_\_\_\_  
Mark R. Bonrud  
Mayor

Attest:

\_\_\_\_\_  
Jeff Pederson  
City Administrator

First Reading: December 3, 2019  
Second Reading: December 16, 2019  
Adopted: December 16, 2019  
Published: December 24, 2019  
Effective: January 13, 2020

## General Fund (101)

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**TOTAL 2019 SUPPLEMENTAL BUDGET \$54,800: paid using undesignated cash reserves, donations, and insurance reimbursement**

- **410 General Government**

- 414.60 *Insurance and Bonds*     **\$1,000**
  - Overage on property and liability insurance
- 414.70 *General Financial Administration*     **\$48,000**
  - *Promoting the City:* Expense incurred for the City of Flandreau Sesquicentennial celebration, \$45,000.00. Total expense was \$50,334.68, all of which was paid using the City budgeted contribution of \$7,500.00 and donations from business and individuals of \$44,074.97. There is a remaining balance in the fund of \$1,240.29 (total income of \$51,574.97 less expense of \$50,334.68) which will be disbursed to a community fund or non-profit prior to year-end leaving the balance at zero. Additional income is anticipated in 2020 from wine, t-shirt and memorabilia sales which will be fully disbursed to a community fund or non-profit as well.
  - *Repairs:* Expense incurred for vehicle repairs, \$2,987.55. Actual expense to the City was the deductible of \$250.00; the balance of \$2,737.55 was covered by property insurance.

- **430 Public Works**

- 438.10 *Cemeteries*     **\$1,900**
  - *Gas/Oil:* Additional expense due to mowing, \$1,052.95
  - *Wages/Benefits:* Additional expense due to hiring a seasonal employee, \$773.34

- **440 Health & Welfare**

- 441.20 *Animal Control*     **\$500**
  - *Professional Fees:* Animals transported to the Sioux Falls Humane Society, \$239.61
  - *Supplies:* Additional expense due to the increased number of animals impounded, \$180.39

- **450 Culture & Recreation**

- 456.10 *Armory:*     **\$400**
  - *Utilities:* Overage on utilities, \$570.92
- 456.20 *Community Center*     **\$3,000**
  - *Utilities:* Overage on utilities, \$2,629.38
  - *Repairs:* Water heater replacement, \$624.44

## Agenda Action Form Flandreau City Council

Meeting Date: 12/2/2019

**Title:** Contract with MRES for Administrative Services Associated with the Purchase of Power from the Western Area Power Administration

Motion       Resolution       Ordinance       Other

**Background Information:** This Contract replaces the 2003 Administrative Services Contract that is set to expire on December 31, 2020. Under that Contract, and as renewed in this Contract, Missouri River Energy Services assumes responsibility for certain administrative functions associated with the provision of firm electric service to the City by the Western Area Power Administration through December 31, 2050.

**Justification:** Through this Contract, the City is taking advantage of resources and expertise of Missouri River Energy Services to meet its obligations to WAPA for energy scheduling, billing, and payment.

**Financial Consideration:** The cost for this service from MRES is paid through our membership dues.

**City Administrator's Recommendation:** Approve

**Attachments:** Contract

Contract No. 19-UGPR-120 .  
Missouri River Energy Services  
City of Flandreau, South Dakota

UNITED STATES  
DEPARTMENT OF ENERGY  
WESTERN AREA POWER ADMINISTRATION

Pick-Sloan Missouri Basin Program--Eastern Division

CONTRACT FOR ADMINISTRATIVE SERVICES  
WITH  
MISSOURI BASIN MUNICIPAL POWER AGENCY dba  
MISSOURI RIVER ENERGY SERVICES AND  
THE CITY OF FLANDREAU, SOUTH DAKOTA

(Scheduling and Payment)

UNITED STATES  
DEPARTMENT OF ENERGY  
WESTERN AREA POWER ADMINISTRATION

Pick-Sloan Missouri Basin Program--Eastern Division

CONTRACT FOR ADMINISTRATIVE SERVICES  
WITH  
MISSOURI BASIN MUNICIPAL POWER AGENCY dba  
MISSOURI RIVER ENERGY SERVICES AND  
THE CITY OF FLANDREAU, SOUTH DAKOTA

(Scheduling and Payment)

<u>Section</u>	<u>Title</u>	<u>Page</u>
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2.	Explanatory Recitals .....	2
3.	Agreement .....	2
4.	Term of Contract .....	2
5.	Termination of Existing Administrative Services Contract .....	2
6.	Existing Firm Electric Service Contract .....	3
7.	Scheduling Arrangements .....	3
8.	Billing and Payment Arrangements .....	4
9.	Bill Crediting .....	5
10.	General Power Contract Provisions .....	6
	Signatures .....	7

Certificate  
General Power Contract Provisions dated September 1, 2007

UNITED STATES  
DEPARTMENT OF ENERGY  
WESTERN AREA POWER ADMINISTRATION

Pick-Sloan Missouri Basin Program--Eastern Division

CONTRACT FOR ADMINISTRATIVE SERVICES  
WITH  
MISSOURI BASIN MUNICIPAL POWER AGENCY dba  
MISSOURI RIVER ENERGY SERVICES AND  
THE CITY OF FLANDREAU, SOUTH DAKOTA

(Scheduling and Payment)

1. PREAMBLE: This Contract is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, pursuant to the Acts of Congress approved June 17, 1902 (32 Stat. 388), December 22, 1944 (58 Stat. 887), August 4, 1977 (91 Stat. 565), and Acts amendatory or supplementary to the foregoing Acts between the UNITED STATES OF AMERICA, acting by and through the Administrator, Western Area Power Administration, Department of Energy, hereinafter called WAPA, represented by the officer executing this Contract, a duly appointed successor, or a duly authorized representative, hereinafter called the Contracting Officer, and MISSOURI BASIN MUNICIPAL POWER AGENCY, a body corporate and politic duly organized under and by virtue of the laws of the State of Iowa, doing business under the name of Missouri River Energy Services, hereinafter called MRES or Contractor, and the CITY OF FLANDREAU, SOUTH DAKOTA, a municipal corporation of the STATE OF SOUTH DAKOTA, hereinafter called the Municipality or Contractor; their successors and assigns, each sometimes hereinafter called the Party or all sometimes hereinafter collectively called the Parties.

2. EXPLANATORY RECITALS:

2.1 The Municipality is a member of MRES and is a beneficiary of MRES services. The Municipality has entered into Firm Electric Service Contract No. 15-UGPR-1018, dated August 31, 2016 (FES Contract), with WAPA. The FES Contract becomes effective January 1, 2021.

2.2 The Parties wish to have MRES administer payment of the Municipality's WAPA electric service bills, under the FES Contract between WAPA and the Municipality, and to participate in bill crediting and net billing as outlined in this Contract.

2.3 The Parties wish to have MRES provide scheduling services for the Municipality.

3. AGREEMENT: The Parties agree to the terms and conditions set forth herein.

4. TERM OF CONTRACT:

4.1 This Contract shall become effective on January 1, 2021, and subject to prior termination as otherwise provided for herein, shall remain in effect through midnight December 31, 2050.

4.2 Any Party may terminate this Contract at any time by giving at least two years written notice to the other Parties.

5. TERMINATION OF EXISTING ADMINISTRATIVE SERVICES CONTRACT:

Contract No. 02-UGPR-102, dated March 3, 2003, expires on its own terms effective at midnight December 31, 2020.

6. EXISTING FIRM ELECTRIC SERVICE CONTRACT:

6.1 WAPA and the Municipality have entered into the FES Contract which provides for firm electric service to the Municipality through December 31, 2050.

6.2 The Parties agree that by entering into this Contract, the rights, duties, and obligations contained in the FES Contract between WAPA and the Municipality are unchanged.

7. SCHEDULING ARRANGEMENTS:

7.1 All deliveries of power and energy to the Municipality under its existing contract with WAPA, as well as its contract with MRES, shall be scheduled in advance, emergencies excepted, in accordance with written procedures agreed upon in advance between MRES and WAPA, hereinafter referred to as Scheduling Procedures. The Scheduling Procedures shall provide for the adaptation of such schedules for day-to-day operational requirements, and shall be based on hourly load patterns. The Scheduling Procedures shall also specify the procedures to handle over or under deliveries of WAPA's obligation. The Scheduling Procedures shall be updated as required to reflect the requirements of any regional transmission organization or comparable organization approved by the Federal Energy Regulatory Commission, responsible for providing transmission service.

7.2 The Municipality agrees to allow MRES to act as its agent in providing power and energy schedules to WAPA.

7.3 Scheduling and tagging procedures, to be followed by MRES and WAPA, are included in the Scheduling Procedures.

7.4 MRES is responsible for developing the schedules for delivery of power and energy from WAPA to the Municipality as provided in the Scheduling Procedures.

7.5 MRES is responsible for scheduling error fees or charges, energy imbalance penalties or fees, and other penalties, fees, or charges, as appropriate, that are incurred as a result of MRES' errors in administering the Scheduling Procedures. WAPA is responsible for scheduling error fees or charges, energy imbalance penalties or fees, and other penalties, fees, or charges, as appropriate, that are incurred as a result of WAPA's errors in administering the Scheduling Procedures.

## 8. BILLING AND PAYMENT ARRANGEMENTS:

8.1 Billing and Payment shall be in accordance with the General Power Contract Provisions (GPCP) made part of the Municipality's contract with WAPA. Although the Municipality, by signing this Contract, has made arrangements for MRES to administer payment to WAPA on its behalf, the Municipality is ultimately responsible for payment to WAPA and all provisions of its FES Contracts with WAPA, including fees and penalties, are still applicable.

8.2 WAPA will issue individual bills for electric service provided to the Municipality each month. The bill will be sent to MRES for payment and a copy will be sent to the Municipality. MRES shall make payment of the bill to WAPA on behalf of the Municipality. The Municipality agrees to pay MRES for amounts billed by WAPA. Payments, by the Municipality to MRES for amounts billed by WAPA, shall be made in

the manner specified for payments under the Municipality's Power Sale Agreement with MRES.

8.3 Under this Contract, MRES shall only bill the Municipality for the amounts stated on the bill provided by WAPA.

8.4 MRES will be responsible for late fees for delinquent payments to WAPA. The Municipality will be responsible for late fees due to delinquent payments to MRES in the same manner specified under the Municipality's Power Sale Agreement with MRES.

#### 9. BILL CREDITING:

9.1 Payments due WAPA by MRES shall be paid by MRES to a third party when so directed by WAPA. Any third party designated to receive payment in lieu of WAPA, and the amount to be paid to that party, will be so identified in writing to MRES with the monthly electric service bill. The payment to the third party shall be due and payable by the payment due date specified on WAPA's electric service bill in accordance with the GPCP. When remitting payment to a designated third party, MRES shall indicate that such payment is being made on behalf of WAPA. WAPA shall credit MRES for the amount paid as if payment had been made directly to WAPA. All other payment provisions shall remain in full force and effect.

9.2 MRES shall accept payment from third parties of amounts due MRES from WAPA and shall notify WAPA of the date of receipt of each payment. MRES shall credit WAPA for such payments the same as if they had been made directly by WAPA. This obligation, to accept payment from a third party, does not release WAPA of its obligation to pay MRES if a third party is unwilling or unable to pay. In the event third party

payment to MRES exceeds WAPA's payment obligation to MRES, MRES shall reimburse the difference to WAPA within 20 days of the receipt, in full, of such third party payment. In the event WAPA directs more than one third party to make payment to MRES and the total payments exceed WAPA's payment obligation to MRES, MRES shall reimburse the difference to WAPA within 20 days of the receipt of the last payment received by MRES.

10. GENERAL POWER CONTRACT PROVISIONS: The GPCP, effective September 1, 2007, attached hereto, are made part of this Contract the same as if they had been expressly set forth herein.

IN WITNESS WHEREOF, the Parties have caused this Contract to be executed the day  
and year first above written.

WESTERN AREA POWER ADMINISTRATION

By \_\_\_\_\_

Title Vice President of Power Marketing

for Upper Great Plains Region

Address P.O. Box 35800

Billings, MT 59107-5800

(SEAL)

MISSOURI RIVER ENERGY SERVICES

By \_\_\_\_\_

Attest:

Title President and Chief Executive Officer

By \_\_\_\_\_

Address P.O. Box 88920

Title \_\_\_\_\_

Sioux Falls, SD 57109-8920

(SEAL)

CITY OF FLANDREAU, SOUTH DAKOTA

By \_\_\_\_\_

Attest:

Title \_\_\_\_\_

By \_\_\_\_\_

Address 1005 W. Elm Avenue

Title \_\_\_\_\_

Flandreau, SD 57028-1404

**CERTIFICATE**

I, \_\_\_\_\_, certify that I am the \_\_\_\_\_ of Missouri River Energy Services, the corporation named as MRES or Contractor herein; that \_\_\_\_\_, who signed the above contract on behalf of MRES, was then its \_\_\_\_\_; that such contract was duly signed for and on behalf of MRES by authority of its governing body and is within the scope of its corporate powers.

Signature

\_\_\_\_\_

(SEAL)

## Agenda Action Form Flandreau City Council

Meeting Date: 12/2/2019

**Title:** Payment Request No. Four (4) for Electric Distribution Improvements Phase 4

Motion       Resolution       Ordinance       Other

**Background Information:** Dakota Directional, LLC, has submitted Payment Request No. Four (4) in the amount of \$191,198.69 for work completed from 10/15/19 thru 11/15/19 on Phase 4 of the Electric Distribution Improvements Project.

**Justification:** Payment for work completed per contract; recommended by DGR Engineering.

**Financial Consideration:** Project is being funded thru the Electric Revenue Bond Series 2016 Fund Balance.

**City Administrator's Recommendation:** Approval

**Attachments:** Contractor's Application for Payment No. Four (4)

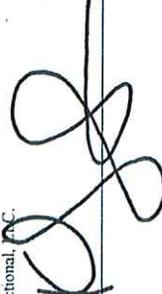


SUMMARY

VALUE OF WORK COMPLETED TO DATE .....	\$735,536.70	ORIGINAL CONTRACT PRICE.....	\$993,616.82
LESS RETAINAGE.....(10%).....	\$73,553.67	EXPECTED FINAL CONTRACT COST (w/C.O.s, Additions & Deletions).....	\$993,616.82
TOTAL AMOUNT DUE INCLUDING THIS PAYMENT.....	\$661,803.03	LESS TOTAL PAYMENTS, INCLUDING THIS PAYMENT.....	\$661,803.03
LESS ESTIMATES PREVIOUSLY APPROVED.....	\$139,859.30	EXPECTED CONTRACT BALANCE AFTER THIS PAYMENT.....	\$331,813.79
Pay Estimate No. 1.....	\$114,160.52	% OF EXPECTED FINAL CONTRACT PRICE PAID, INCL. THIS PAYMENT.....	67%
Pay Estimate No. 2.....	\$216,604.52		
Pay Estimate No. 3.....	N/A		
Pay Estimate No. 4.....	N/A		
Pay Estimate No. 5.....	N/A		
Pay Estimate No. 6.....	N/A		
Pay Estimate No. 7.....	N/A		
Pay Estimate No. 8.....	N/A		
TOTAL AMOUNT DUE THIS ESTIMATE.....	\$191,198.69		

The undersigned Contractor hereby certifies that payment has been made in full for all labor and materials incorporated in the project to date, in accordance with the terms of the Construction Contract.

Contractor, Dakota Directional, LLC.

By:  Date: 11-20-19

CERTIFICATE

THE AMOUNT OF \$191,198.69 IS APPROVED FOR PAYMENT ACCORDING TO THE TERMS OF THE CONTRACT.

City Of Flandreau, South Dakota, Owner

DGR Engineering, Engineer

By: 

Date: 11/21/2019



For Period From: 10/15/19 To: 11/15/19  
 Contractor: Dakota Directional, LLC.  
 Bid Date: January 10, 2019

PAY ESTIMATE NO. 4  
 ELECTRIC DISTRIBUTION IMPROVEMENTS - 2019 - Phase 4  
 Flandreau, South Dakota  
 DGR Project No. 416611

Unit No.	Name and Description of Construction Unit	No. of Units	UNIT PRICE			WORK COMPLETED TO DATE			WORK COMPLETED THIS PERIOD			
			Labor	Material	L & M	Ext. Price L & M	Units Comp.	% Comp.	Value of Comp. Work	Units Comp.	% Comp.	Value of Comp. Work
UD-1/0	Primary cable, 15 kV, 1/0 Sol. Al. (Mft.)	38,770	\$900.00	\$100.00	\$1,000.00	\$38,770.00	31,643	82%	\$31,643.00	6,127	16%	\$6,127.00
UD-4/0	Primary cable, 15 kV, 4/0 Str. Al. (Mft.)	66,270	1,000.00	150.00	\$1,150.00	\$76,210.50	64,488	97%	74,161.30	8,885	13%	10,229.25
UD-350	Primary cable, 15 kV, 350 Str. Al. (Mft.)	21,660	1,100.00	150.00	\$1,250.00	\$27,075.00	21,042	97%	26,302.50			
UD-10-2	Secondary cable, 600 V, 10-3 UF, Cu. w/grd. (Mft.)	6,063	750.00	800.00	\$1,550.00	\$9,397.65	5,879	97%	9,112.45	2,758	45%	4,274.90
UD-4/0 TPLX	Secondary cable, 600 V, 2-#4/0, 1-#2/0 Str. Al. (Mft.)	9,162	1,250.00	3,420.00	\$4,670.00	\$42,786.54	8,571	94%	40,026.57	2,720	30%	12,705.40
UD-350 TPLX	Secondary cable, 600 V, 2-#350, 1-#4/0 Str. Al. (Mft.)	1,215	1,250.00	5,650.00	\$6,900.00	\$8,383.50	1,229	101%	8,480.10	0.866	71%	5,975.40
UD-4/0 QUAD	Secondary cable, 600 V, 3-#4/0, 1-#2/0 Str. Al. (Mft.)	0.971	1,250.00	3,590.00	\$4,840.00	\$4,699.64	0.341	35%	1,650.44			
UD-350 QUAD	Secondary cable, 600 V, 3-#350, 1-#4/0 Str. Al. (Mft.)	0.383	1,250.00	5,890.00	\$7,140.00	\$2,734.62	0.733	191%	5,233.62			
UG-(15)	1Ø transformer, 15 kVA (ea.)	4	750.00	152.00	\$902.00	\$3,608.00	1	25%	902.00	1	25%	902.00
UG-(25)	1Ø transformer, 25 kVA (ea.)	10	750.00	152.00	\$902.00	\$9,020.00	5	50%	4,510.00	2	20%	1,804.00
UG-(37.5)	1Ø transformer, 37.5 kVA (ea.)	7	750.00	152.00	\$902.00	\$6,314.00	6	86%	5,412.00	4	57%	3,608.00
UG-(50)	1Ø transformer, 50 kVA (ea.)	4	750.00	152.00	\$902.00	\$3,608.00	5	125%	4,510.00	2	50%	1,804.00
UG-(65)(240)	3Ø transformer, 45 kVA, 240V (ea.)	1	1,000.00	311.00	\$1,311.00	\$1,311.00	1	100%	1,311.00	1	100%	1,311.00
UG-(75)(208)	3Ø transformer, 75 kVA, 208V (ea.)	2	1,200.00	311.00	\$1,511.00	\$3,022.00						
UPS-(42)	Padmount switch, 4 bays, 2 gang-operated (ea.)	3	1,200.00	149.00	\$1,349.00	\$4,047.00	3	100%	4,047.00	3	100%	4,047.00
UPS-(43)	Padmount switch, 4 bays, 3 gang-operated (ea.)	3	1,200.00	149.00	\$1,349.00	\$4,047.00	3	100%	4,047.00	3	100%	4,047.00
UPF-(11)	Padmount fuse pack, 1 source, 1 fused tap (ea.)	3	1,200.00	149.00	\$1,349.00	\$4,047.00	3	100%	4,047.00	3	100%	4,047.00
UIS-F (20)	Street light fuse, 20 Amp (ea.)	29	25.00	10.00	\$35.00	\$1,015.00						
UIS-JB	Street light junction box (ea.)	9	250.00	34.00	\$284.00	\$2,556.00						
UKS	Secondary pedestal (ea.)	11	250.00	286.00	\$536.00	\$5,896.00	9	82%	4,824.00	6	55%	3,216.00
UKS-3Ø	Secondary pedestal, 3Ø (ea.)	2	400.00	301.73	\$701.73	\$1,403.46						
ULR-SL	Street light riser (ea.)	34	250.00	35.00	\$285.00	\$9,690.00						
UM3-1T(1/0)	Loadbreak elbow, 15 kV 1/0 AL., 200 amp w/test point (ea.)	219	100.00	61.00	\$161.00	\$35,259.00	55	25%	8,855.00	38	17%	6,118.00
UM3-1T(4/0)	Loadbreak elbow, 15 kV 4/0 AL., 200 amp w/test point (ea.)	75	100.00	61.00	\$161.00	\$12,075.00	9	12%	1,449.00	9	12%	1,449.00
UM3-4	Insulating receptacle, 200 amp (ea.)	77	70.00	43.00	\$113.00	\$8,701.00	11	14%	1,243.00	10	13%	1,130.00
UM3-3(4/0)	Deadbreak elbow, 15 kV, 600 amp, 4/0 Al. (ea.)	36	100.00	211.00	\$311.00	\$11,196.00	6	17%	1,866.00	6	17%	1,866.00
UM3-3(350)	Deadbreak elbow, 15 kV, 600 amp, 500 Al. (ea.)	9	100.00	222.00	\$322.00	\$2,898.00						
UM6-4(1/0)	Outdoor terminator, 1/0 Al. (ea.)	3	120.00	179.00	\$299.00	\$897.00	3	100%	897.00	3	100%	897.00
UM6-4(4/0)	Outdoor terminator, 4/0 Al. (ea.)	9	120.00	184.00	\$304.00	\$2,736.00	3	33%	912.00	3	33%	912.00
UM6-34 EA	Elbow arrester (ea.)	23	65.00	120.00	\$185.00	\$4,255.00						
UM6-35 PSA	Parking stand arrester (ea.)	16	65.00	283.00	\$348.00	\$5,568.00	3	19%	1,044.00	3	19%	1,044.00
UM14-3	Neutral connection, 3Ø (ea.)	2	75.00	77.00	\$152.00	\$304.00						
UM3-30	1Ø sectionalizing assembly (ea.)	5	500.00	795.00	\$1,295.00	\$6,475.00	5	100%	6,475.00	1	20%	1,295.00
UM2-40	2Ø sectionalizing assembly (ea.)	1	500.00	1,526.00	\$2,026.00	\$2,026.00	1	100%	2,026.00	1	100%	2,026.00
UM3-60	3Ø sectionalizing assembly (ea.)	15	500.00	2,877.00	\$3,377.00	\$47,655.00	14	93%	44,478.00	9	60%	28,593.00
UM33-PB	Pull box, 36"H x 48"W x 72"TL (ea.)	1	500.00	2,815.00	\$3,315.00	\$3,315.00						
UM40-4	Primary junction, 4 point (ea.)	45	100.00	195.00	\$295.00	\$13,275.00	40	89%	11,800.00	28	62%	8,260.00
UM45-1(1/0)	Straight splice, 1/0 primary (ea.)	12	80.00	104.00	\$184.00	\$2,208.00						
UM45-1(350)	Straight splice, 350 primary (ea.)	9	100.00	114.00	\$214.00	\$1,926.00						
UJI	Straight splice, secondary (ea.)	6	80.00	100.00	\$180.00	\$1,080.00						



For Period From: 10/15/19 To: 11/15/19  
 Contractor: Dakota Directional, LLC.  
 Bid Date: January 10, 2019

PAV ESTIMATE NO. 4  
 ELECTRIC DISTRIBUTION IMPROVEMENTS - 2019 - Phase 4  
 Flandreau, South Dakota  
 DGR Project No. 416611

Unit No.	Name and Description of Construction Unit	No. of Units	UNIT PRICE			WORK COMPLETED TO DATE			WORK COMPLETED THIS PERIOD			
			Labor	Material	L & M	Ext. Price L & M	Units Comp.	% Comp.	Value of Comp. Work	Units Comp.	% Comp.	Value of Comp. Work
UM50-FI	Fault indicator (ea.)	34	100.00	202.00	\$302.00	\$10,268.00	9	26%	2,718.00	6	18%	1,812.00
UR1-48-1C	Flowing, 48" deep, 1 cable (Mft.)	3,210	2,700.00	100.00	\$2,800.00	\$8,988.00	4,015	125%	11,242.00			
UR1-48-3C	Flowing, 48" deep, 3 cables (Mft.)	15,960	3,000.00	100.00	\$3,100.00	\$49,476.00	15,711	98%	48,704.10			
UR2-(24)	Trenching, 24" deep (Mft.)	9,389	6,000.00		\$6,000.00	\$56,334.00	6,614	70%	39,684.00	1,882	20%	11,292.00
UR2-(42)	Trenching, 42" deep (Mft.)	12,856	8,000.00		\$8,000.00	\$102,848.00	4,053	32%	32,424.00	1,571	12%	12,568.00
UR2-(48)	Trenching, 48" deep (Mft.)	3,930	8,000.00		\$8,000.00	\$31,440.00	2,099	53%	16,792.00	0.177	5%	1,416.00
UR3-(42)	Trenching-special backfill, 42" Deep (Mft.)	0.050	20,000.00	5,000.00	\$25,000.00	\$1,250.00						
UR3R-(42)	Trenching-rock, shale or limestone, 42" deep (Mft.)	0.050	20,000.00	5,000.00	\$25,000.00	\$1,250.00						
UR4-(1)2P	Conduit in trench, (1)2" (Mft.)	2,250	1,000.00	1,020.00	\$2,020.00	\$4,545.00	2,730	121%	5,514.60			
UR4-(1)3P	Conduit in trench, (1)3" (Mft.)	0.530	1,000.00	1,950.00	\$2,950.00	\$1,563.50	0.524	99%	1,545.80			
UR5-(1)1P	Bore with conduit, (1)1" (Mft.)	0.225	8,000.00	310.00	\$8,310.00	\$1,869.75	0.213	95%	1,770.03			
UR5-(1)2P	Bore with conduit, (1)2" (Mft.)	0.980	9,000.00	870.00	\$9,870.00	\$9,672.60	1.069	109%	10,551.03	0.070	7%	690.90
UR5-(2)2P	Bore with conduit, (2)2" (Mft.)	0.240	9,500.00	1,740.00	\$11,240.00	\$2,697.60	0.205	85%	2,304.20	0.083	35%	932.92
UR5-(3)2P	Bore with conduit, (3)3" (Mft.)	2.055	10,000.00	2,610.00	\$12,610.00	\$25,913.55	1.892	92%	23,858.12	0.970	47%	12,231.70
UR5-(4)2P	Bore with conduit, (2)4" (Mft.)	1.150	12,000.00	3,480.00	\$15,480.00	\$17,802.00	1.178	102%	18,235.44	1.178	102%	18,235.44
UR5-(6)2P	Bore with conduit, (2)6" (Mft.)	1.235	16,000.00	5,220.00	\$21,220.00	\$26,206.70	1.355	110%	28,753.10	0.059	5%	1,251.98
UR5-(1)3P	Bore with conduit, (1)3" (Mft.)	0.195	9,500.00	1,960.00	\$11,460.00	\$2,234.70	0.211	108%	2,418.06	0.065	33%	744.90
UR5-(2)3P	Bore with conduit, (2)3" (Mft.)	0.035	16,000.00	5,920.00	\$19,920.00	\$697.20	0.033	94%	657.36			
UR5-(3)3P	Bore with conduit, (3)3" (Mft.)	0.915	18,000.00	5,880.00	\$23,880.00	\$21,850.20	1.107	121%	26,435.16			
UR5-(3)3P-(3)2P	Bore with conduit, (3)3" & (3)2" (Mft.)	0.075	28,000.00	8,490.00	\$36,490.00	\$2,736.75	0.088	117%	3,211.12			
UR6-(24)	Bore without conduit, 24" deep (Mft.)	1,230	8,000.00		\$8,000.00	\$9,840.00	2,853	232%	22,827.20	2,350	191%	18,803.20
UR6-(48)	Bore without conduit, 48" deep (Mft.)	5,135	10,000.00		\$10,000.00	\$51,350.00	8,726	170%	87,260.00	0.797	16%	7,970.00
UR8	Core drill, six (6) inch diameter (ea.)	6	200.00		\$200.00	\$1,200.00	12.1	202%	2,430.00	12.1	202%	2,430.00
UR9-S	Shallow crossing (Mft.)	0.200	8,000.00	4,000.00	\$12,000.00	\$2,400.00						
UR10	Barricade (ea.)	8	200.00	150.00	\$350.00	\$2,800.00						
UR-LDS	Lawn damage seeding (Mft.)	23,003	1,500.00		\$1,500.00	\$34,504.50	9,831	43%	14,746.50	2,926	13%	4,389.00
ASP-REM	Asphalt pavement removal (sq. yd.)	15.0	70.00		\$70.00	\$1,050.00						
ASP-REP	Asphalt replacement (ton)	5.0	700.00		\$700.00	\$3,500.00						
PCC-REM	Concrete pavement removal (sq. yd.)	10.0	150.00		\$150.00	\$1,500.00						
PCC-REP	Portland cement concrete replacement (cu. yd.)	2.0	500.00		\$500.00	\$1,000.00						
GRA-CLS	Gravel, Class 5 (Ton)	30.0	100.00		\$100.00	\$3,000.00						
IUG	1Ø Transformer removal (ea.)	3	300.00		\$300.00	\$900.00						
IUG3	3Ø Transformer removal (ea.)	2	400.00		\$400.00	\$800.00						
IUMS	Primary sectionalizer removal (ea.)	1	400.00		\$400.00	\$400.00						
IUM2-1	1Ø Primary riser removal (ea.)	3	200.00		\$200.00	\$600.00						
IUM2-3	3Ø Primary riser removal (ea.)	2	200.00		\$200.00	\$400.00						
MOB	Mobilization (as req'd)	1			\$20,000.00	\$20,000.00	1	100%	20,000.00			
TI	Taxes on Owner-furnished Materials (as req'd.)	1			\$47,237.86	\$47,237.86						
						\$993,616.82	TOTAL TO DATE:		\$735,336.70			
										\$212,442.99		

## Agenda Action Form Flandreau City Council

Meeting Date: 12/2/2019

**Title:** Payment Request No. One (1) for Electric Distribution Improvements Phase 4

Motion       Resolution       Ordinance       Other

**Background Information:** Bob's Electric, Inc., has submitted Payment Request No. One (1) in the amount of \$12,737.70 for meter cutover work completed from 10/15/19 thru 11/15/19 on Phase 4 of the Electric Distribution Improvements Project.

**Justification:** Payment for work completed per contract; recommended by DGR Engineering.

**Financial Consideration:** Project is being funded thru the Electric Revenue Bond Series 2016 Fund Balance.

**City Administrator's Recommendation:** Approval

**Attachments:** Contractor's Application for Payment No. One (1)



**SUMMARY**

VALUE OF WORK COMPLETED TO DATE.....	\$14,153.00	ORIGINAL CONTRACT PRICE.....	\$38,725.00
LESS RETAINAGE....(10%).....	\$1,415.30	EXPECTED FINAL CONTRACT COST (w/C.O.s, Additions & Deletions).....	\$38,725.00
TOTAL AMOUNT DUE INCLUDING THIS PAYMENT.....	\$12,737.70	LESS TOTAL PAYMENTS, INCLUDING THIS PAYMENT.....	\$12,737.70
LESS ESTIMATES PREVIOUSLY APPROVED.....		EXPECTED CONTRACT BALANCE AFTER THIS PAYMENT.....	\$25,987.30
Pay Estimate No. 1.....	N/A	% OF EXPECTED FINAL CONTRACT PRICE PAID, INCL. THIS PAYMENT.....	33%
Pay Estimate No. 2.....	N/A		
Pay Estimate No. 3.....	N/A		
Pay Estimate No. 4.....	N/A		
Pay Estimate No. 5.....	N/A		
Pay Estimate No. 6.....	N/A		
Pay Estimate No. 7.....	N/A		
Pay Estimate No. 8.....	N/A		
TOTAL AMOUNT DUE THIS ESTIMATE.....	\$12,737.70		

The undersigned Contractor hereby certifies that payment has been made in full for all labor and materials incorporated in the project to date, in accordance with the terms of the Construction Contract.

Contractor, Bob's Electric, Inc.

By: Bradley Oswald Date: 11-20-19

**CERTIFICATE**

THE AMOUNT OF \$12,737.70 IS APPROVED FOR PAYMENT ACCORDING TO THE TERMS OF THE CONTRACT.

City of Flandreau, South Dakota, Owner

DGR Engineering, Engineer

By: Daniel Mason

Title: \_\_\_\_\_  
Date: 11/20/2019



For Period From: 10/15/19 To: 11/15/19  
 Contractor: Bob's Electric, Inc.  
 Bid Date: May 29, 2019

PAY ESTIMATE NO. 1  
 ELECTRIC METER CUTOVER - 2019 PHASE 4  
 FLANDREUA, SOUTH DAKOTA  
 DGR Project No. 416611

Unit No.	Name and Description of Construction Unit	No. of Units	UNIT PRICE			WORK COMPLETED TO DATE (Including this Pay Period)			WORK COMPLETED THIS PERIOD			
			Labor	Material	L & M	Ext. Price L & M	Units Comp.	% Comp.	Value of Comp. Work	Units Comp.	% Comp.	Value of Comp. Work
UD-10	Conductor Installation, 1Ø (ea.)	50	\$50.00		\$50.00	\$2,500.00	19	38%	\$950.00	19	38%	\$950.00
UD-3Ø	Conductor Installation, 3Ø (ea.)	2	50.00		50.00	100.00						
UM6-6	Ground Rod Installation (ea.)	43	25.00	25.00	50.00	2,150.00	18	42%	\$900.00	18	42%	\$900.00
UM6-Ex	Existing Ground Wire Connection (ea.)	1	25.00	5.00	30.00	30.00						
UM8-MS-3Ø	Meter Socket Installation, 3Ø (ea.)	1	100.00	261.00	361.00	361.00						
UM8-MS	Meter Socket Installation, 1Ø (ea.)	25	75.00	216.00	291.00	7,275.00	11	44%	\$3,201.00	11	44%	\$3,201.00
UM8-MS-TAP	Meter Socket Installation w/ load tap kit, 1Ø (ea.)	7	100.00	243.00	343.00	2,401.00	4	57%	\$1,372.00	4	57%	\$1,372.00
UM8-DIS(200)	Meter Socket w/ Main Disconnect-1Ø, 200 amp (ea.)	3	150.00	551.00	701.00	2,103.00	1	33%	\$701.00	1	33%	\$701.00
UM8-PW	Plywood Meter Backing (ea.)	1	25.00	25.00	50.00	50.00						
UM8-WD	Wood Deck (ea.)	2	100.00		100.00	200.00	1	50%	\$100.00	1	50%	\$100.00
UM8-RM	Remove and Reinstall Existing Meter (ea.)	47	13.00		13.00	611.00	19	40%	\$247.00	19	40%	\$247.00
UR8	Concrete Removal & Replacement (ea.)	11	100.00	50.00	150.00	1,650.00	3	27%	\$450.00	3	27%	\$450.00
UR12-2P	Conduit to Service Point, 2 in. diameter, Plastic (Mft.)	0.278	17,986.00	3,014.00	21,000.00	5,838.00	0.114	41%	\$2,394.00	0.114	41%	\$2,394.00
UR12-3P	Conduit to Service Point, 3 in. diameter, Plastic (Mft.)	0.012	33,333.00	4,917.00	38,250.00	459.00						
UR-LDS	Lawn Damage Seeding (Sqft.)	41	20.00	5.00	25.00	1,025.00	20	49%	\$500.00	20	49%	\$500.00
UD-OHS	Removal of Existing Overhead Service (ea.)	42	125.00		125.00	5,250.00	18	43%	\$2,250.00	18	43%	\$2,250.00
UD-UGS	Removal of Existing Underground Service (ea.)	10	75.00		75.00	750.00	1	10%	\$75.00	1	10%	\$75.00
IUM8-M	Removal of Existing Meter (ea.)	4	13.00		13.00	52.00	1	25%	\$13.00	1	25%	\$13.00
IUM8-MS	Removal of Existing Meter Socket (ea.)	43	50.00		50.00	2,150.00	20	47%	\$1,000.00	20	47%	\$1,000.00
USW	Special Service Entrance Work (hr.)	13	50.00		50.00	650.00						
IF(SD)	Inspection Fee (ea.)	52	60.00		60.00	3,120.00						
MOB	Mobilization (as req'd)	1										
TOTAL CONTRACT PRICE:						\$38,725.00	TOTAL TO DATE:		\$14,153.00			

## Agenda Action Form Flandreau City Council

Meeting Date: 12/2/2019

**Title:** Approval of Rate of Pay for Streets/Parks Foreman

Motion       Resolution       Ordinance       Other

**Background Information:** The recent retirement of Streets Foreman Mike Fargen created the need to reassign the functions of leadership and supervision of the Department. The City Administrator has determined that the best opportunity to fill that need lies with the placement of Parks Foremen Randy Wilts over both the Park and Streets Departments. The City Administrator recommends that the rate of pay for Wilts in the new position be set at \$26.78.

**Justification:** New position combines supervisory functions for Streets and Parks Departments.

**Financial Consideration:** Money for the position salary is currently budgeted between the Streets and Parks budgets. Additional money currently appropriated in Streets budget will be allocated to part-time (seasonal) positions.

**City Administrator's Recommendation:** Approve

**Attachments:** None