BOARD OF COMMISSIONERS
AGENDA
JANUARY 3, 2022
5:30PM – COMMISSION ROOM – 116 W CENTER ST

Please join the Zoom meeting from your computer, tablet or smartphone.
https://us06web.zoom.us/j/83043035669

You can also dial in using your phone.
+1 312 626 6799

Meeting ID: 830 4303 5669

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

ADOPT AGENDA

APPEARANCES/ACKNOWLEDGEMENTS
1) Acknowledge November 2021 Board Meeting Minutes

CONSENT CALENDAR
1) Minutes – December 27, 2021
2) Claims for Approval - January 5, 2022
3) Claims for Ratification – December 24, 2021
4) Personnel
5) Approve 2022 Employee Salaries/Wages
6) Designate Depositories for Municipal Funds for 2022 - Wells Fargo Bank, First Bank & Trust, Great Western Bank, 1st Premier Bank, US Bank
7) Designate Legal Newspaper for 2022 - Madison Daily Leader
8) Authorize Mayor to Sign SDPAA revised Intergovernmental Contract
9) Authorize Mayor to Sign State Financial Assistance Agreement - AIP 3-46-0029-22-2022(ARPA)

UNFINISHED BUSINESS
1) Approve Second Reading - Ordinance No. 1641 - Amend Appropriation Ordinance No. 1624 for Fiscal Year 2021

NEW BUSINESS
1) Discuss Updated CDC Guidelines and Possible Action on City of Madison COVID-19 Procedures
2) 1st Reading Ordinance No. 1642 – Scheduling of Regular Commission Meetings
3) Establish 2022 Election Date and Invite Madison Central School District to Participate in Joint Election - April 12th, 2022

PUBLIC COMMENT

ANNOUNCEMENTS

ADJOURN

Supplementary agenda information may be accessed at www.cityofmadisonsd.com
AGENDAS – CITY COMMISSION

If special accommodations are necessary to attend any Board of Commissioners meeting, please contact the Finance Office at (605) 256-7500 at least 24 hours before meeting time. All attempts shall be made to accommodate a request.

MADISON MUNICIPAL AIRPORT BOARD
AGENDA
November 16, 2021
6:00pm - Airport Lobby - 1600 Airport Drive

Call to Order by Ken: 18:00 hrs
Roll call: Present – Tim Peters, Myron Downs, Ken Johnson, Morris Riggin, ex-officio George Colombe.
Absent: Roy Brown, Dave Gilbert, Commissioner Shaw: Guest: Aaron Storm-KLJ

Approve October 19, 2021 Minutes: Motion to approve by Tim, 2nd by Myron, motion carried

Approve November 16, 2021 Agenda: Motion to approve by Myron, 2nd by Tim, motion carried

Appearances/Acknowledgements/Correspondence
1) Acknowledge KLJ Status Report - October 2021: Ken reviewed the report with the board.

Unfinished Business
1) Update on Crop Rotation Request: Aaron reported that the FAA does not object to allowing Soybean crop rotation every 5-7 years but the FAA would like a plan to eventually phase out crops and go to full grass on the airport when the airport can afford to due so. This option is discussed in the 2008 Wildlife Hazard Management Plan (WHMP).
Tim will invite the airport land renter to the 12/12/21 meeting to discuss crop rotation.

New Business
1) Review Grant Pre-Application for AIP 3-46-0029-021-2022 – Parking Lot, Access Road, Hangar Taxilanes Reconstruction Design and Recommend to City Commission: The Board reviewed the Application and Aaron pointed out a small typo error on the existing asphalt thickness on section 305: Thickness is 4 in vs 2 in indicated..This has been corrected for future diagrams.

Motion by Tim: The airport board recommends that the City Commission approve and the Mayor sign and submit the Grant Pre-Application AIP 3-46-0029-21-2022. 2nd by Myron, Motion carried

2) Ratify Bills – October 20, October 27, November 3, November 10**:** Motion by Myron, 2nd by Tim to ratify the Bills as presented. Motion carried.

Public Comment

Announcements
1) Next Meeting - December 21, 2021

Adjourn: Motion to adjourn by Ken at 18:15 hrs

If special accommodations are necessary to attend any Madison Municipal Airport Board meeting, please contact the Finance Office at (605) 256-7500 at least 24 hours before meeting time. All attempts shall be made to accommodate a request.

Madison Community Center
Governing Board Minutes
Thursday, November 18, 2021 @ ***6:30 AM***
ZOOM Conference Call and in-person

Call to Order: Danny Frisby-Griffin called the meeting to order at 6:34am in the Community Center Meeting Room and via ZOOM/conference call.

Members Present: Danny Frisby-Griffin, Josh Anderson, Michelle Corey, Sara Hare, Brian Keller, Tyler Steele, Jennie Thompson.

Members Absent: Laura Boecker, Jeff Dittman

Ex-Officio Present: Sonya Wilt-Finance Officer, Jameson Berreth-City Administrator.

Staff Present: Laurie Bunker, April Lund, Kaylee Winrow

1. **Approval of the November 18, 2021 board meeting agenda:** Agenda was presented. Motion was made to approve by Jennie Thompson and seconded by Michelle Corey. Motion carried.

2. **Approval of the October 21, 2021 board meeting minutes:** The meeting minutes were presented. Motion to approve was made by Jennie Thompson and seconded by Michelle Corey. Motion carried.

3. **Approval of the October 28, 2021 special board meeting minutes:** The meeting minutes for the additional board meeting held on October 28^{th} were presented. Motion was made to approve by Jennie Thompson and seconded by Brian Keller. Motion carried.

4. **Guest: English Language Learning Program Instructor: Abbie Williams:** Abbie Williams would like to thank the Madison Community Center for the location and hospitality provided for the English Language Learning Program and its students and hopes to continue with utilizing the facility for the next round of classes. The board thanked Abbie and is open to the possibility of continuing the partnership.

5. **Committee Reports**
    a. **Executive-Ratify actions/report: post Aquatics Coordinator Position:** The executive committee met and agreed to move forward with posting of the aquatics coordinator position. With no further comments motion was passed on posting the aquatics coordinator position.
    b. **Hiring Committees:** Interviews start the week of November 29^{th} for the director position. Josh Anderson and Danny Frisby-Griffin have volunteered to be part of the aquatics coordinator hiring committee.
    c. **Budget:** None
    d. **Membership / Marketing-Corporate Wellness, updating membership information CSI:** Need to focus on corporate wellness and the CSI membership process.
    e. **Facilities:** None

6. **Department Reports:** The department reports were acknowledged as presented.
    a. **Director:** The directors report was given in paper form to the governing board. An item to note that is not already part of the agenda for today's meeting is the possibility of needing to look into a different software than CSI. The software can be difficult to work in and is cumbersome in its process. Customer support is lacking as well.
    b. **Fitness Coordinator:** Included in board packet
    c. **Group Trainer Coordinator:** Included in board packet
    d. **Recreation/Intramural Coordinator:** Included in board packet with group fitness
    e. **Aquatic/MAC Coordinator:** Unavailable at this time

f. **Youth Activities Coordinator:** Included in board packet. Congratulations to Kaylee Winrow and the After School Program on being awarded CRRSA funding. Kaylee has requested a one-time payment to the employees for $350 as premium pay for their constant effort invested to the ASP during the pandemic. The remaining would go towards groceries or purchasing any necessary PPE that might be needed throughout the academic school year. The board agreed that the commitment Kaylee has made to the ASP and its success should also be considered. Motion to modify Kaylee's request of funds allocation to include Kaylee in the one-time payment of $350 along with the rest of the ASP staff was made by Josh Anderson and seconded by Jennie Thompson. Motion carried. The $350 will be taken from the groceries allocation and moved to staffing. $3,500 will be used for staffing and $2,300 for groceries/PPE for a total award amount of $5,800.

Old Business

7. **Update: Custodian Position conversion to DSU:** MCC has merged their custodial position with DSU facilities management. DSU will now take over the custodial work for the community center.

8. **Update: Aquatics Area closure and timelines:** A current timeline was given in the printed director report. DSU will also do the gutter repair during the pool closure. Lauri Bunker is hoping to partner with Best Western to utilize their pool for water aerobics and in return offer some type of service to their guests. Lifeguards will be given the opportunity to work elsewhere within MCC during the pool closure. Need to move on the announcement of closure and other items to communicate before the start of the project.

9. **Update: CPO and pool chemical monitor/maintenance process:** The CPO training is under way. Decisions need to be made of who can do the daily testing at 5:30am and 11:15am when there is no lifeguard on duty to test.

10. **Update and decision: approve final changes to Professional Training, Certifications and Ethics Clause annual requirement:** The suggested edits have been made and will be included in the December 16 meeting board packet for discussion.

11. **Discussion and decision: director/interim director position:** When the director position is filled and in place, the director will then work on the hiring of the office manager position and that position responsibilities as well as any other structure that needs to be decided. The current plan is to still move forward with the elimination of the assistant director position and separate out into a position the aquatics coordinator.

New Business

12. **Discussion and Acknowledge: October 2021 revenue and expense reports:** The revenue and expense report summary through October was provided in the board packet and acknowledged as presented.

13. **Discussion and decision: Temp/Part time Recreation and Intramural Coordinator:** April Lund has taken on the task of working with REC/intramurals and has become more comfortable with the role, however, would welcome the help of temporary/part time person(s) who would be able to focus on more specialized camps and activities. April will work with the executive committee in what the options may be and the financial aspect, which will involve the finance office and their input as well.

14. **Discussion and decision: Member credit request, used 18 weeks out of 52 (see packet):** An individual concern of requesting a membership credit due to COVID and facility usage was discussed. This concern will be addressed in the same manner as other prior concerns of the same nature. Danny will follow up with the individual.

15. **Discussion and decision: Reduced Membership Determination Process and grandfather?:** To ensure an ongoing reference point when establishing/updating the reduced rate membership the MCC will use the federal poverty guidelines and percentages as a tool to be modified to a community fitness center setting.

16. **Discussion and decision: pool hours (swim at own risk), lap time and lifeguard wages:** With the current limited lifeguards, their availability, and no major liability coverage issues 'swim at your own risk' may be the only option at this time for the pool. Motion to implement 'swim at your own risk' for those age 18 and over-or accompanied by an adult if 17 or under-during the hours of 5:45am to 3:00pm was made by Brian Keller and seconded by Michelle

Corey. Motion carried. There will be a liability waiver at the front desk for those utilizing the pool when no lifeguard is on duty. The rules will be posted, and lane ropes in place during lap swim. The lane ropes offer a safety measure if someone should need a buoy line while swimming. Currently there is a 5% increase suggested in the 2022 budget for lifeguards. After discussion of what the current lifeguard wage is, their role in swimmer safety, first aid, CPR, job duties, etc. the board decided to table lifeguard wages to the December meeting giving the board a chance to give further thought on the topic before deciding an increase of over the 5% suggested.

17. **Capture payroll process; credit card process for incidental expenses:** The payroll process and approval will need to be shared between the full-time staff until a office/business manager is in place. Laurie Bunker will talk with Jessica Dold-DSU HR on how to approve the work study payroll in her absence as interim director. Currently there is access to an Amazon card for use on incident expenses that may come up.

18. **Discussion on tasks, obstacles and help requested (things that may be being missed):**
    - **Credit Card Machine:** Currently out of service. Laurie Bunker is working on getting the machine working and on the DSU credit card network. Will need to look into immediate options for those who participate in the 5K Turkey Trot and want to pay with credit card.
    - **Phone System:** Operating incorrectly. MCC will be moving to VoIP along with the DSU phone transition to VoIP. With current phone system issues the community center needs to be a priority in the change over.
    - **Training:** Laurie is working on a training document, with several MCC board members volunteering to be trained as well to help the current staff as well as be able to train incoming staff during this interim time.

19. **Public comments per resolution No. 2018-11:** Thank you to those who attended the meeting to talk with the governing board on concerns regarding the Madison Community Center and to offer help or guidance. As the board works through both the short term and long-term affairs surrounding the MCC, staff, MCC members and general public are encouraged to talk with any member of the board they are comfortable with and/or attend the governing board meetings.

Adjourn: Meeting adjourned at 9:01am.

Next scheduled board meeting is December 16, 2021 at 6:30am

Madison Community Center
Governing Board Minutes
Special Meeting,
Monday, November 22, 2021 @ 1:00 PM
ZOOM Conference Call and in-person

Call to Order: Danny Frisby-Griffin called the meeting to order at 1:02pm in the Community Center Meeting Room.

Members Present: Danny Frisby-Griffin, Josh Anderson, Michelle Corey, Jeff Dittman, Sara Hare, Brian Keller, Tyler Steele, Jennie Thompson.

Members Absent: Laura Boecker

Ex-Officio Present: Jameson Berreth-City Administrator, Sonya Wilt- City Finance Officer, Kristin Olson- City Human Resource Director

Staff Present: Laurie Bunker, Derek Lund

1. **Approval of the November 22, 2021 board meeting agenda:** Agenda was presented with the suggested change to move agenda item 4 to be discussed first. Motion was made to approve the amended agenda by Sara Hare and seconded by Jennie Thompson. Motion carried.

New Business

2. **Discussion regarding personnel procedures:** City HR Director-Kristin Olson would like to remind the board of the approval process when creating/changing job descriptions, pay grade associated with the changes, and restructuring positions. Once the governing board approves such changes the suggested change then needs to be forwarded on to the Budget and Personnel Committee and then to the City Commission for final approval and resolution. The resolution then waits 20 days from commission approval before advertising.

3. **Discussion and decision regarding job responsibilities and potential restructure of the Aquatics Coordinator:** The current resolution in place ties the aquatics responsibilities to the assistant director position. Per the requirements of restructuring positions, the plan discussed would be to restructure that position to remove the Assistant Director piece from Aquatics once a new Director is in place and can weigh in on plans. Jameson Berreth would also like the board to consider having the Aquatics Coordinator oversee and direct the MAC operations as well as the community center aquatics with a few adaptations. One adaptation would be hiring a full-time building maintenance worker, employed by the city, with responsibilities for the MAC. A second adaptation would include a MAC seasonal manager who would assist in hiring summer staff, creating schedules, deposits, and generally oversee

MAC operations and report to the Aquatics Coordinator. Would continue with the supervisors on duty during operational hours, as in the past. Motion was made by Michelle Corey to consider combining the MAC structure and responsibilities with the Aquatics Coordinator put forth by Berreth with Jennie Thompson seconding the motion. Motion carried. Further discussion will be needed on exact position restructure plan.

4. **Discussion and decision on equipment purchase:** Derek Lund-Fitness Coordinator-was present to discuss an equipment request for the Cross Edge program. The equipment would also be utilized for Combat Circuit, personal training, and the Fittest in Madison competitions. Motion to approve up to $5,000 was made by Jennie Thompson and seconded by Sara Hare. Motion carried.

5. **Public comments per resolution No. 2018-11:** None

Adjourn: Meeting adjourned at 2:16pm.

Next scheduled board meeting is December 16, 2021 @ 6:30 AM

MINUTES OF THE BOARD OF TRUSTEES MEETING
MADISON PUBLIC LIBRARY
TUESDAY, NOVEMBER 16, 2021

The Board of Trustees of the Madison Public Library met at the Madison Public Library beginning at 5:15 p.m., on Tuesday, November 16, 2021. Members present were John Nelson, Jody Johnson, Courtney Weck, Kelly Dybdahl, and Kelli Wollmann were present. Carrie Studer and Loretta Chandler were absent.

President John Nelson called the meeting to order. A quorum was present.

Motion by Jody Johnson, seconded by Kelli Wollmann, to approve the agenda as printed. Motion carried.

Motion by Court Weck, seconded by Kelli Wollmann, to approve the minutes of the October 19, 2021, meeting as printed. Motion carried.

Motion by Kelly Dybdahl, seconded by Court Weck, to approve the bills submitted for payment. Motion carried.

The librarian's report included the following:

- The job descriptions for the Library Director and the Library Assistant were reviewed. Motion by Court Weck, seconded by Jody Johnson, to approve the Library Assistant's job description. Motion carried. Motion by Jody Johnson, seconded by Kelli Wollmann to approve the job description for the Library Director. Motion carried.
- The librarian contacted Automatic Building Controls about the buzzer on the alarm panel which is no longer working. The representative at Automatic Building Controls reported that the buzzer does not affect the alarm system. The alarms are functional, and the alarm company continues to monitor the system and will call if there is a problem.
- Recent programs at the library include the Teen Advisory mystery dinner on October 30; Craig Tschetter's presentation on November 4.

In continuing business, the revised Rules of Conduct policy was presented. The revisions provide more definition on enforcement of the policy. Motion by Courtney Weck, seconded by Jody Johnson, to approve the revised policy. Motion carried.

The Safe Child Policy was reviewed. Motion by Jody Johnson, seconded by Kelly Dybdahl. Motion carried.

In new business, John Nelson will be the Board's liaison with the city's human resources department for the hiring of a Library Director.

There were no public comments.

Meeting adjourned.

Respectfully submitted,

Nancy Sabbe

Librarian

10/9/2021 November- Park Board Meeting **Minutes**
Location: City of Madison Commission Room @ 5:30

I. Call to Order **Mike Miller called the meeting to order at 5:30**

II. Roll Call**: Mark Ferber, J.D. Hansen, Mike Miller and Dale Droge**

III. Approve the November 2021 meeting agenda: **Hansen made motion, Ferber 2nd, Motion Passed Unanimously**

IV. Approve the August 2021 meeting minutes: **Ferber Motion, Hansen 2nd, passed unanimously**

V. Old Business: 1) MAC updates**: McGillivray updated the board on the MAC.**

2) Update on Recreation Trail by Runnings: **McGillivray told the board that Recreation Trail Repairs have been completed.**

3) Update on Baughman Irrigation System**: McGillivray updated the board on the project of well drilling etc.. at Baughman Park.**

VI. New Business:

1) Discuss 2022 Parks Budget**: McGillivray discussed to the board 2022 budget.**
2) Discuss Skate Park Concerns at Westside Park**: McGillivray informed the Park Board about some issues around the skate park. The board would like to look into possible lighting upgrades and if possible more frequent MPD visits if possible.**
3) Discuss changing Park Board Meeting dates and times**: Park Board discussed the possibilities of changing the meeting days and times to accommodate more to the board members schedules. They decided to try to have meeting on Tuesday's at 12:00 the second Tuesday of every month.**

VII. Other Business:

VIII. Public Comment:

Staff Reports

A. MAC Director (Vacant)
B. Recreation Director

C. Parks Director Mike McGillivray**: McGillivray updated the board about the current projects and tasks the Parks Department is doing.**

1X. Adjourn: **Hansen motion to adjourn, Droge 2nd, passed unanimously.**

Next Meeting December 14th at City of Madison Commission Room at 12:00.

CITY OF MADISON
BOARD OF COMMISSIONERS PROCEEDINGS
MADISON, SD 57042

December 27, 2021
Regular

The Board of Commissioners of the City of Madison met in regular session at 5:30pm on the 27th day of December with the following members present on roll call: Mayor Marshall Dennert and Commissioners Jeremiah Corbin, Kelly Dybdahl and Jerae Wire. Commissioner Adam Shaw was absent.

The Pledge of Allegiance was recited.

Motion by Commissioner Corbin to adopt the December 27th agenda. Motion seconded by Commissioner Wire. Motion carried unanimously.

Motion by Commissioner Dybdahl, seconded by Commissioner Corbin, to approve the following items on the consent calendar: Minutes – December 20, 2021, Claims for Approval - December 29, 2021, Personnel, Award Bid No. 908 - Chemicals -Hawkins, Inc and Pete Lien & Sons. Motion carried unanimously.

Claims for Approval - December 29, 2021:
Allegra Envelopes 121.17; Appeara Mat Rentals 409.35; AT & T Mobility Monthly Service 1,323.76; Avenu Insights & Analytics Dec Application Host 3,295.29; Baker & Taylor Books 68.03; Banner Associates Inc Well House #1 Project 1,383.35; Blackstone Publishing Books 64.60; Borns Group Inc Holiday Garbage Inserts 396.00; Center Point Large Print Platinum Spotlight Series 560.88; Central Plains Bat Removal Bat Removal Services 3,865.00; Century Business Products Inc Copier Contract 32.15; Classic Convenience Inc Fuel 90.00; Coast to Coast Solutions Inc Buttermints/Calendars 521.73; Coles Petroleum Products Inc Aviation Gas 16,401.60; Creative Forms & Concepts Laser W-2/1099 Forms 288.76; Demco Inc Labels/Book Tape & Jackets 891.16; DGR Engineering Prelim & RFP Assistance/Bids 3,269.50; Ebsco Industries Inc Magazine/Used Car Guide 19.80; Endress & Hauser Inc PH Electrode 546.44; Etterman Enterprises Inc Saw Blade For Railings 329.27; F & M Coop Oil Co Fuel 295.00; Gale Cengage Learning Books 123.16; Grey House Publishing Inc Nutrition Handbook 148.50; Halme Inc Water System Imp Phase 2A 373,424.72; Hawkins Inc Chemicals 225.50; Heiman Inc Winter Gloves 100.50; Hillyard Inc Towels/Tissue/Soap/Gym Finish 2,160.13; Ingram Co Books 321.97; Interlakes Comm Action Inc Refund Overpayment 2,533.86; Krug Products Inc Hoses 127.44; L G Everist Inc Gravel 185.89; Lake County Treasurer Taxes Owed-Miller Property 655.12; Laser Cut Inc S Egan Bridge 839.90; Lewis&Clark Regional Water Sys 15.81 MGD Expansion Deposit 23,366.00; Madison Ace Hardware Rake/Tools/Welder Plug Parts 47.97; Madison Grocery Store Inc M&M's/Puffcorn 46.02; Matheson Tri Gas Inc Bridge Railings/Gloves 378.20; Micromarketing LLC Books 716.49; Northwestern Energy Utilities 3,219.97; O Reilly Automotive Inc Filters/Switch 125.20; Office Peeps Inc Toner/Paper/Copier Contract 1,326.94; Overdrive Books 2,352.20; Penguin Random House LLC Books 63.75; Porta Pros Inc Toilet Rental-Memorial 161.00; Running Supply Inc Tools/Gloves/Headphones/Hoodie 1,404.44; Rural Electric Supply Coop GW Submersible Switches 104,512.98; Scholastic Inc Education Books 14.99; SD Public Health Laboratory Water Samples 133.00; SDN Communications Internet Jan - Library 1,033.58; Sebco Books Inc Books 143.82; Smart Guard LLC AMIOT/AMI Meters 6,990.00; Spencer Quarries Inc Boulders 1,045.84; Springer Nature Statesman’s Yearbook 2022 508.53; Streichers Inc Uniform Pants/Nametag 74.97; Sturdevants Madison Inc Transmission Sensor #24 146.75; Sweeney Controls Co Controls 3,230.76; T & H Welding Waterfall Tank 2,267.79; Talk The Tee Cart Decals 907.20; Timmer Supply Co Cable 50.75; Tritech Software Systems Pro Admin Core License 2,521.49; USA Blue Book PH Electrode/Chemicals 229.37; Vast Broadband Fire Dept Internet 44.95; World Book Inc WB Encyclopedia 2022 999.00.

Personnel:
Megan Jordahl $11.05/hour; Zachary Kerhaert $9.45/hour.

Mayor Dennert opened the hearing on Resolution No. 2021-30 - Sidewalk Improvement 2022. Said resolution requires properties included in the resolution to install new sidewalks before July 22, 2022, or the city contractor will complete the work and costs will be assessed to the property. Comments and concerns were heard from the property owners of 623 SE 1st Street, 502 NE 2nd Street, and 620 SE 1st Street. Property owners were encouraged to work with the City Engineer Office regarding the installation of their sidewalks. There being no further discussion, motion by Commissioner Corbin, seconded by Commissioner Wire, to adopt Resolution No. 2021-30 - Sidewalk Improvement 2022. Motion carried unanimously.

Motion by Commissioner Dybdahl, seconded by Commissioner Corbin, to give Ordinance No. 1641 - Amend Appropriation Ordinance No. 1624 for Fiscal Year 2021 a first reading. Motion carried unanimously.

Motion by Commissioner Corbin, seconded by Commissioner Wire, to approve the Collective Bargaining Agreement with Teamsters Local Union No. 120 for year 2022. Motion carried unanimously.

Motion by Commissioner Corbin, seconded by Commissioner Wire, to adjourn. Motion carried unanimously.

The Board of Commissioners adjourned at 6:05pm.

/s/Sonya Wilt
Finance Officer

Consent Calendar

4) Personnel
5) Approve 2022 Employee Salaries/Wages

No documentation available at this time –will be distributed before meeting.

SOUTH DAKOTA PUBLIC ASSURANCE ALLIANCE

SDPAA LIABILITY & PROPERTY POOL

MAIN OFFICE
208 Island Drive
Ft. Pierre, SD 57532

SATELLITE OFFICE
5024 Bur Oak Place, Suite 103
Sioux Falls, SD 57108

PHONE: 605.224.8654 Option 2
TOLL FREE: 800.658.3633 Option 2

December 22, 2021

Dear SDPAA Members:

Thank you for your membership in the South Dakota Public Assurance Alliance (SDPAA) and for your public service. It is the SDPAA's privilege to assist you with your public service mission.

Enclosed you will find a revised Intergovernmental Contract (IGC) which reflects the changes adopted by the SDPAA Board of Directors at its October 5, 2021 meeting. These changes will take effect on January 1, 2022. **At your earliest convenience, please have the appropriate authorized person sign the signature page of the revised IGC on behalf of your entity, then scan and email it to the SDPAA at sdpaa@sdmunicipalleague.org.** The entire copy is for your file. We encourage you to review the document with your legal counsel and to contact us with any questions. The current version of the IGC with tracked changes and comments on the year 2022 changes is enclosed your reference.

These changes to the IGC reflect the main goal of public entity pooling, which is to ensure that all Members are actively engaging in loss control measures to benefit themselves and the public they serve. To encourage long-standing commitment to these measures, the IGC will no longer allow a Member to depart then immediately return to the SDPAA. Instead, a departed Member must await the expiration of two years to reapply for SDPAA membership, unless that departed Member demonstrates to the Board that it has made a substantial commitment to engage in loss control efforts. For further explanation, please see the enclosed SDPAA Policy on Member Departures.

The revised IGC also eliminates the partial refund of contribution to a departing Member who assumed any of their claims when they left the SDPAA. The partial refund of contribution was intended to pay for claims handling expenses and to pay any reported claims that the Member took with them upon their departure from the SDPAA. Under the revised IGC, the SDPAA will now retain any reported claims of a departing Member so the partial refund is no longer necessary. Please be aware that we are working with the South Dakota Department of Legislative Audit on the financial reporting requirements for this change on the partial refund of contribution. Their guidance will be relayed to you in the coming weeks.

We look forward to working with you to continue providing broad coverages and great services at stable, competitive rates.

Best Regards,

David A. Pfeifle, Executive Director
South Dakota Public Assurance Alliance

Enclosures

INTERGOVERNMENTAL CONTRACT
FOR THE
SOUTH DAKOTA PUBLIC ASSURANCE ALLIANCE

This Contract is made and entered into by the undersigned who, upon execution of the Contract, will become contractually bound with all other signatories.

Whereas, the Acts of the State of South Dakota authorize and/or permit various Governmental Authorities to contract, and;

Whereas, the undersigned desires, along with other such entities, to form or join or reaffirm their membership in a local government risk pool to be known as the South Dakota Public Assurance Alliance, and;

Whereas, pursuant to the authority granted by SDCL ch. 1-24 and any acts amendatory thereto, the undersigned executes this document for purposes of joining or reaffirming membership, by virtue of an intergovernmental contract, the local government risk pool known as the South Dakota Public Assurance Alliance;

Now, therefore, the undersigned executes this Agreement in consideration for other Governmental Authorities executing this Agreement for the purpose of joining or reaffirming their membership in a local government risk pool known as the South Dakota Public Assurance Alliance. The undersigned agrees to abide by the terms and conditions of this Contract and all actions taken pursuant to this Contract. In consideration of the mutual covenants of all signatories to this Intergovernmental Contract it is agreed as follows:

ARTICLE I – NAME

The Pool created by this Contract shall be known as the South Dakota Public Assurance Alliance, hereinafter referred to as the "Alliance."

ARTICLE II – PURPOSE

The signatories hereto, together with future signatories, establish a contractual local government risk pool for the purpose of effectuating this Agreement; which Pool shall have a perpetual duration and shall continue until terminated pursuant to the terms and conditions of the Agreement. The purpose of this Agreement is to enter into an Intergovernmental Contract to form a local government risk pool, to provide for joint or cooperative action by Members relative to their financial and administrative resources for the purpose of providing risk management services and risk sharing facilities to the Members and to the Member's employees, and to defend and protect, in accordance with this Agreement, any Member of the Alliance against liability as defined under Pool Retention and in the Member's Risk Sharing Certificate. This Contract and the activities hereunder shall not constitute doing an insurance business. This Agreement is intended to create a contractual relationship and agreement between the signatories.

This Agreement shall constitute a contract among those Governmental Authorities which shall now or at any time enter into this Agreement and become Members of the Alliance.

The liability of each Member is limited to the amount of financial contributions required to be made to the Alliance pursuant to the Agreement except in the event of termination of the Alliance as described in Article XI or in the event of a deficit in the Operating Fund as provided in Article VIII.

This Agreement shall not inure to the benefit of third parties nor does any party hereto waive such sovereign or governmental immunity as may be available to it individually.

In no event shall a Member be responsible, jointly or severally, for the liabilities of any other Member except in the event of termination of the Alliance by the Alliance membership as described in Article XI or in the event of a deficit in the Operating Fund as provided in Article VIII when all Alliance Members would be responsible for a joint liability of the Alliance. In no event will an individual Member be responsible for any liabilities of any other Member.

ARTICLE III – DEFINITIONS

In the interpretation of this Agreement the following definitions shall apply unless the context requires another interpretation:

1.	Acts	--"Acts" shall mean such Acts of the State of South Dakota, pursuant to which this Contract is executed, as the same may be amended from time to time.
2.	Administrator	-- "Administrator" shall mean the South Dakota Public Assurance Alliance.
3.	Agreement	--"Agreement" shall mean this Intergovernmental Contract for the South Dakota Public Assurance Alliance and all of the counterparts subsequently executed
4.	Alliance	--"Alliance" shall be the sum of all the contracts or contractual obligations of the Members.
5.	Annual Operating Contribution	--"Annual Operating Contribution" shall mean those amounts necessary to fund the expenses of the Alliance.
6.	Basis Rate	--"Basis Rate" shall mean that amount annually promulgated by the Administrator deemed necessary to provide the Scope of Coverage afforded to a Member for the period of one year corresponding to the Risk Sharing Certificate effective date with due consideration to the Member's individual characteristics.
7.	Board	--"Board" shall mean the Board of Directors of the South Dakota Public Assurance Alliance.
8.	Casualty Coverage	--"Casualty Coverage" shall mean the coverage afforded a Member for Casualty Risk, pursuant to the Member's Risk Sharing Certificate and subsequent amendments and/or endorsements thereto.
9.	Casualty Risk	--"Casualty Risk" shall mean General Liability, Government Officials Liability, Law Enforcement Liability, Automobile Liability and other similar coverages usual to a Governmental Authority.
10.	Claims Administrator	--"Claims Administrator" shall mean any entity with whom the Administrator enters a contract for claims services.
11.	Contract(s)	--"Contract(s)" shall mean this Agreement and all of its counterparts.
12.	Governmental Authority	--"Governmental Authority" shall mean a public agency or any joint power agreement or separate entities consisting entirely of public agencies as defined in the Act.
13.	Limits of Coverage	--"Limits of Coverage" shall mean the limits of coverage established by any applicable coverage document, the Risk Sharing Certificate, and any other document or agreement that establishes and controls limits of various coverages provided to the Member.
14.	Member	--"Member" shall mean a Governmental Authority participating in the South Dakota Public Assurance Alliance by executing this Agreement.
15.	Member's Contribution	--"Member's Contribution" shall mean all amounts paid by Members and allocated to the Operating Fund.

16. Operating Fund	--"Operating Fund" shall mean those amounts allocated to and designated as "Net Assets-Unrestricted" in the Alliance's financial statements, as a result of increasing such amounts by the Annual Operating Contribution and investment income, and subtracting the expenses of the Alliance.
17. Pool	--"Pool" shall mean the cumulative funds collected under this Contract and the contractual activities conducted hereunder, also sometimes referred to as the Alliance. The Pool is the sum of all Members' funds and contractual duties, benefits and obligations.
18. Pool Retention	--"Pool Retention" shall mean the amount that the Board may determine to retain as a designated retention from time-to-time.
19. Property Coverage	--"Property Coverage" shall mean the coverage afforded a Member for Property Risk, pursuant to the Member's Risk Sharing Certificate and subsequent amendments and/or endorsements thereto.
20. Property Risk	--"Property Risk" shall mean Property, Vehicle Physical Damage, Inland Marine, Crime, Boiler and Machinery, and other similar coverages usual to a Governmental Authority.
21. Risk Sharing Certificate	--"Risk Sharing Certificate" shall mean that document provided a Member evidencing the scope, nature, term, and limits of participation in the Alliance.
22. Scope of Coverage	--"Scope of Coverage" shall mean the coverage, limits, and deductibles as established and defined in this agreement, any applicable separate coverage document, the Risk Sharing Certificate, and any other applicable document defining or establishing such terms, and subsequent amendments thereto.

ARTICLE IV – MEMBERSHIP

Contractual membership of the Alliance shall consist of Governmental Authorities who have entered into this Agreement or its counterpart by and through an individual duly authorized to execute this Agreement, and who have agreed to make the Member's Contribution pursuant to the further provisions hereof. Members agree to the admission of future Members and acknowledge that they shall have no right to object to the addition of such Members provided they are admitted in accordance with the terms hereof. This Agreement shall be automatically renewed unless the provisions for withdrawal or termination are applied.

Each Member shall appoint an individual and an alternate to represent the Member with the Alliance. That individual or alternate shall act as a liaison between the Member and the Alliance for purposes of relating risk reduction and loss control information, and any other information or instructions concerning the obligations of the Member imposed by this Agreement and the rules and regulations established hereunder. The individual or alternate shall cast, on behalf of the Member, any vote which the Member is required or permitted to cast.

The obligations of Members of the Alliance shall include, but not necessarily be limited to, the following:

1. To promptly report to the Administrator or designated Claims Administrator any incident which could result in a claim being made by or against the Member within the Scope of Coverage.

2. To cooperate with and institute to the degree possible all loss prevention procedures established by the Administrator.

3. To provide to the Administrator such information as needed for rating purposes, including but not limited to, a completed renewal packet and any supplement questionnaires, as requested, and a budget approved by

Member's governing body of all revenues and expenditures for any fiscal year of the Member requested by the Administrator.

4. To provide representatives of the Administrator access to all records, including financial records and/or properties of the Member, provided the Administrator determines the information or access is necessary.

5. To cooperate with the Administrator and any employee, officer or independent contractor relating to the purpose and powers of the Alliance.

6. To allow attorneys and others employed by the Administrator to represent the Member in investigation, settlement, and all levels of litigation arising out of any claim made against the Member within the Scope of Coverage furnished by the Alliance.

7. To pay when due all annual contributions or other contributions, due or required, pursuant to this Agreement.

ARTICLE V – BOARD OF DIRECTORS

1. Administration of the Contract(s). The administration of this Contract(s) and management of the Alliance shall be governed by a Board of Directors of eleven (11) members comprised of six (6) municipal representatives, three (3) county representatives and the Executive Directors of the South Dakota Municipal League and the South Dakota Association of County Commissioners.

2. Qualifications of Members of the Board. Members of the Board shall be either:

    a. Elected officials of an Alliance Member provided the governing board of the Member in question has supported their appointment or candidacy by Resolution; or
    b. Representatives, employees or appointed officials of an Alliance Member provided the governing board of the Member in question has supported their appointment or candidacy by Resolution; or
    c. No Member may support the appointment or candidacy of more than one person to the Board in any given year. If such person is later unable to assume office as a member of the Board for any reason, then this prohibition shall not apply.
    d. The Executive Directors of the South Dakota Municipal League and the South Dakota Association of County Commissioners are qualified by the nature of their respective positions and shall remain standing members of the Board.

3. If a Board member initially appointed or elected to the Board based on their status as an elected or appointed official, or employee of a Member leaves office or employment with that Member during their term, they may continue to serve and complete their current term unless and until they resign, are removed pursuant to the terms and conditions of this Article, or until such time as the Member which initially sponsored their appointment or candidacy revokes their resolution of support in writing. Such revocation must be in writing or by electronic communication and in the form of a resolution of revocation. It must be provided to the Chair and Vice-Chair by the sponsoring Member. Such revocation shall create a vacancy to be filled pursuant to the provisions of Article V, Paragraph 5.

4. A Board member initially appointed or elected to the Board based on their status as a representative of a Member may serve unless and until they resign, are removed pursuant to the terms and conditions of this Article, or until such time as the Member which initially sponsored their appointment or candidacy revokes their resolution of support in writing. Such revocation must be in writing or by electronic communication by and in the form of a resolution of revocation. It must be provided to the Chair and Vice-Chair by the sponsoring Member. Such written revocation shall create a vacancy to be filled pursuant to the provisions of Article V, Paragraph 5.

5. Eligibility and Vacancies. The Board shall be the judge of the election and qualifications of its members and of the grounds for their forfeiture of office. The Board may remove any Board member for cause as determined by a 2/3 vote of the entire Board. "For cause" shall include but not be limited to a Board member having excessive absences from the meetings of the full Board or any other instance where a Board member's continued service has become untenable by the sole determination of a 2/3 vote of the Board. Such removal for cause of a Board member shall

then be deemed a vacancy as described by this Article. Should the number of members of the Board become reduced due to disqualification, death, incompetence, resignation or other cause, the remaining members of the Board may appoint a person or persons to fill such a vacancy or vacancies until the time of the next annual meeting of the South Dakota Public Assurance Alliance so that the Board shall be maintained numerically during that time. At the next annual meeting of the South Dakota Public Assurance Alliance, the Nominating Committee of the Board of Directors shall recommend one candidate to fill each vacant position on the Board for the remainder of the term left open and Member entities of the South Dakota Public Assurance Alliance present at that annual meeting shall vote on the candidate recommended by the Nominating Committee in the manner described in paragraph 6 below. Any member of the Board may resign by sending notice of his/her resignation to the Chair of the Board and the Administrator.

6. Election and Term of Members of the Board. An election shall be held at the annual meeting of the South Dakota Public Assurance Alliance to fill any Board position that is open, or will become open as the result of an expiring term or vacancy as described in this Article. Applications for all open positions to be filled at such an election shall be submitted in writing to the Nominating Committee of the Board of Directors at least thirty (30) days prior to the date of the South Dakota Public Assurance Alliance annual meeting in question. The Nominating Committee will consider all applications received and recommend one candidate to fill each open Board position. The election held at the annual meeting of the South Dakota Public Assurance Alliance shall be determined by a majority of those Alliance Member entities present and voting at the annual meeting with each Member entity having one vote. A candidate recommended by the Nominating Committee and nominated at the annual meeting shall be deemed elected if he/she receives more than 50% of the votes cast by those Member entities present and voting at the election. If the candidate nominated fails to receive a majority of votes cast at the election then the Nominating Committee shall recommend a second person to stand at election at the same annual meeting. Board members elected at such an election shall take office on the following January 1. All Board members shall be elected to a three (3) year term. A Board member may be removed for just cause by a majority vote of the Board of Directors. There shall be no prohibition on election to successive terms.

7. Meetings of the Board. The Board of Directors shall hold its annual meeting in conjunction with the annual meeting of the South Dakota Municipal League. The Board shall meet a minimum of four (4) times per year and at such other times as called by the Chair. Any item of Alliance business may be considered at such meetings. Special meetings may be called by the Chair or by a majority of the Board of Directors. Meetings may be held by teleconference through any audio or video medium.

8. Executive Committee. The Executive Committee shall be comprised of five (5) members including the three officers elected by the Board, one at-large Board member selected by a majority vote of the Board and the Executive Director of the South Dakota Municipal League. The Committee shall be chaired by the Chair of the Board. The Committee shall inform and direct the Executive Director of the South Dakota Public Assurance Alliance on Board policy and shall make recommendations to the Board as it deems necessary for the prudent operation and management of the Alliance.

9. Officers. By majority vote, the Board of Directors, at its December Board meeting or at a Special Meeting held for the purpose of such election, shall select from the members of the Board, a Chair, Vice-Chair, and Secretary/Treasurer.

ARTICLE VI – POWERS AND DUTIES

The Board of Directors shall be permitted and the undersigned authorizes it to perform and carry out, or delegate to others to perform and carry out, on behalf of the undersigned, each and every act necessary, convenient or desirable to, and for carrying out the purpose of this Contract and the Alliance, including but not limited to:

1. Administer the Alliance, receive Member's Contributions (contracted obligations) to the Alliance, and settle and pay claims and losses on behalf of its Members;

2. Make and enter into contracts to conduct and operate the Alliance;

3. Employ employees and agents on behalf of the undersigned;

4. Incur liabilities and charges against the common funds of the Alliance, but no charge, liability or obligation so incurred shall be the charge, liability or obligation of any individual party to this Agreement;

5. Sue or be sued in the Member's name or collective names, and defend such claims;

6. Acquire, or dispose of real and/or personal property;

7. Advise Members on loss control guidelines and procedures, and provide Members with risk management services, loss control, and risk reduction information;

8. Purchase for the Members reinsurance and/or excess insurance and/or enter into such excess risk sharing pools as may be available and deemed desirable for the protection of the Members and/or the Alliance itself;

9. Invest, on behalf of the Members, Alliance funds in securities and investments in a prudent and lawful manner;

10. Promulgate procedures and regulations for the general administration of this Contract(s);

11. Take such action as is necessary to terminate the participation/contract of any Member that fails to comply with the reasonable requirements of the Administrator concerning contractual obligations;

12. Provide surety and/or fidelity bonds, as may be available, for members of the Board, and all persons charged with the custody or investment of Alliance monies.

ARTICLE VII – <u>LIABILITY OF THE BOARD OF DIRECTORS, ADMINISTRATOR, OR EMPLOYEES</u>

The members of the Board of Directors, the Administrator, its directors, officers, and employees shall:

1. Use reasonable and ordinary care in the exercise of their duties hereunder;

2. Be afforded all of the privileges and immunities that may attach under any applicable law;

3. Not be liable for, and be held harmless and defended by the undersigned and from Alliance funds, for any act of negligence, any mistake of judgment or any other action made, taken or omitted in good faith;

4. Not be liable for any loss incurred through investment of funds or failure to invest such funds.

The Administrator may purchase, subject to availability and cost, insurance providing coverage for the Board of Directors, its officers and members, the Administrator, its directors, officers, and employees.

The undersigned shall and the funds of the Alliance shall be used to hold harmless and defend the Board of Directors, its officers and members, the Administrator, its directors, officers, and employees for any act or omission taken or omitted in good faith by the Board of Directors, its officers and members, the Administrator, its directors, officers, and employees. The hold harmless and indemnity provisions of the undersigned shall be joint and several with all signatories to this Contract; provided, however, this obligation shall be considered an expense of the Alliance and in no event shall any individual signator be liable for more than its pro rata annual contribution herein except in the event of termination of the Alliance as described in Article XI or in the event of a deficit in the Operating Fund as provided in Article VIII. Nothing contained herein shall be construed as to require the undersigned to hold harmless or defend any party from any act done in bad faith or any breach of a fiduciary duty.

No covenant or agreement contained herein shall be deemed to be the covenant or agreement of any member of the Board of Directors or the Administrator nor any of its employees and none of such persons shall be subject to any personal liability or accountability by reason of the acceptance of a position or the undertaking of the performance of any of the responsibilities, obligations or duties contemplated in the carrying out of this Agreement, whether by virtue of any construction, statute or rule of law.

ARTICLE VIII – <u>ESTABLISHMENT OF OPERATING FUND</u>

1. The Board shall establish a budget which shall consist of Member's Contributions in amounts not less than the Administrator deems sufficient to annually produce the sum of money reasonably necessary to fund the expenses and any deficiencies which may occur in the Alliance's Operating Fund regulatory authority; the sum of which shall be known as the Annual Budget.

2. Thirty (30) days prior to the Alliance's fiscal year end, or at such other time as directed by the Board, the Administrator shall prepare an Annual Budget for the succeeding fiscal year. The Annual Budget shall be used to assist in determining the annual rates for the Alliance. The rates determined by the approval of the Annual Budget by the Board of Directors are used to determine the contributions for each Member, based on their exposures. Members' Annual Operating Contributions will be determined on an individual basis, based on detailed analysis of exposures and for a one (1) year period from their Risk Sharing Certificate effective date of coverage.

3. In the event that the Operating Fund becomes deficient during any Alliance fiscal year, the Alliance shall liquidate any and all assets and continue to pay claims and losses incurred within the Scope of Coverage and pursuant to the Risk Sharing Certificate until all funds of the Alliance are exhausted. After such time, all coverages and payment of valid claims shall be the sole and separate obligation of each individual Member.

ARTICLE IX – <u>MEMBER'S WITHDRAWAL, CANCELLATION, OR TERMINATION</u>

1. Members agree to continue membership for a period of not less than one (1) full year. At the conclusion of such period, or anniversary thereof, a Member who has given sixty (60) days prior written notice to the Alliance may withdraw. A Member who has not given sixty (60) days prior written notice to the Alliance to withdraw may not withdraw for an additional one (1) full year.

Anything contained in this Agreement to the contrary notwithstanding, a Member's election to cease participation in the Alliance for Property Coverage shall not constitute a withdrawal under any other terms and conditions of the Agreement. Property Coverage applies only to losses or claims which occur prior to the termination date. All rights for reimbursement or any right to claims against the Alliance shall terminate for Property losses which occur after the termination date.

Effective 12:01 a.m. on the date of the withdrawal and notwithstanding anything contained to the contrary within this Agreement or attachments hereto or the Risk Sharing Certificate issued pursuant to this Agreement, payments for all unknown Casualty Coverage claims or claims expense shall thereafter become the sole responsibility of the withdrawing Member unless the claim was reported prior to the withdrawal of the Member's participation in the Alliance.

Effective 12:01 a.m. on the date of the withdrawal and notwithstanding anything contained to the contrary within this Agreement or attachments hereto or the Risk Sharing Certificate issued pursuant to this Agreement, payments for all Property claims and claim expense incurred thereafter shall become the sole responsibility of the withdrawing Member. Any Property claim reported in a timely manner not to exceed sixty (60) days after its occurrence shall be covered by the Alliance if the claim occurred during the period the Risk Sharing Certificate was in effect and if coverage is otherwise available under the Risk Sharing Certificate.

The Alliance will continue to service all claims which have been reported to the Alliance during the withdrawing Member's period of participation. Payment of all claims so serviced by the Alliance for the withdrawing Member shall be made by the Alliance.

Anything contained in this Agreement to the contrary notwithstanding, a Member that has given notice of withdrawal may rescind said notice provided written notice of rescission is sent to the Alliance within the sixty (60) day period and provided further all contributions required from said Member are made in a timely fashion.

2. The Alliance may, by a two thirds (2/3) majority of the Board and by providing a Member sixty (60) days prior written notice, cancel that Member's participation in the Alliance and terminate its Intergovernmental Contract effective at the end of any Risk Sharing Certificate year. Thereafter, it shall be the responsibility of the Alliance to defend, settle, and pay claims within the scope and limits set forth in the cancelled Member's Risk Sharing Certificate in effect on the date of the occurrence out of which such claim arose. This provision shall apply solely to claims which occurred during a Member's participation and evidenced by the Member's Risk Sharing Certificate. The cancelled Member shall have the right, prior to the actual date of cancellation, to withdraw from the Alliance by giving notice of such withdrawal. Electing to so withdraw, the Member shall be subject to the provisions of paragraph one (1) of this Article.

3. Any Member failing to make payments when due as required by this Agreement shall be terminated from the Alliance effective on the date the payment was due and upon that effective date of termination all coverages and benefits hereunder shall cease. All known and unknown claims and claims expenses thereafter shall become the sole responsibility of the terminated Member without regard to whether a claim occurred or was reported prior to the termination of the Member's participation in the Alliance. At the request of the terminated Member, the Alliance will continue to service all claims which have been reported to the Alliance during the terminated Member's period of participation so long as the terminated Member shall promptly reimburse the Alliance for all claims the terminated Member and the Alliance shall incur no liability for payment of claims by virtue of servicing claims under the terms of this paragraph. If the Member shall subsequently submit its payment, the Administrator may, in its discretion, reinstate such membership.

4. Any Member who elects to withdraw pursuant to Paragraph 1 of this Article is prohibited from rejoining the Alliance for a period of two years.

ARTICLE X – SCOPE OF RISK SHARING PROTECTION

1. The Alliance provides risk sharing protection to each Member and will make or secure payment on behalf of each Member under criteria and procedures established for the payment of claims as provided in the Member's Risk Sharing Certificate. As long as a Member continues to renew its annual Risk Sharing Certificate, any claim that occurred during the period the Risk Sharing Certificate is in effect shall be considered for payment as provided in the Member's Risk Sharing Certificate.

2. The Alliance may obtain excess insurance, reinsurance, or join in excess risk sharing pools.

3. In the event that a claim or series of claims exceeds the amount of the risk sharing protection provided by the Member's Risk Sharing Certificate, or in the event that a claim or a series of claims should exhaust the Operating Fund and any reinsurance, then payment of valid claims shall be the sole and separate obligation of the individual Member or Members against whom the claim was made and perfected by litigation or settlement.

4. A Member may purchase, in its sole discretion, any insurance coverage in addition to those amounts purchased by the Alliance.

5. The Board may make changes in the Scope of Coverage, the amount of risk sharing protection or risk sharing retention by the Alliance upon consideration of the needs and requirements of Members, loss experience, and/or the kind and amounts of reinsurance or other excess coverage available. Where the Board takes such action, immediate notice after taking of such action shall be sent to all Members or their representatives.

ARTICLE XI – TERMINATION

The Alliance shall terminate at such time as two-thirds (2/3) of the municipal and county Members vote for such termination. After a vote to terminate, the Board shall commence with the orderly liquidation of the Alliance's business and shall complete the same as promptly as possible. During such period of liquidation the Alliance shall continue to pay claims and losses incurred within the Scope of Coverage and pursuant to the Risk Sharing Certificate until all funds of the Alliance are exhausted. After payment of all claims and losses, any remaining funds held by the Alliance shall be paid to all Members of the Alliance at the time of the vote of termination, on a pro rata basis determined by the Board.

To the extent of the existence of funds in the Operating Fund, no Member shall be responsible for any claim, claims, judgment or judgments against any other Member or Members. If upon termination of the Alliance the remaining assets of the Alliance are insufficient to satisfy indebtedness of the Alliance (excluding claims or judgments against the Members), such deficiency shall be made up by assessments against Members of the Alliance on a pro rata basis determined by the Board

ARTICLE XII – <u>MISCELLANEOUS PROVISIONS</u>

1. The provisions of this Agreement shall be interpreted pursuant to the laws of the State of South Dakota.

2. The parties hereto consent that courts in the State of South Dakota shall have jurisdiction over any dispute arising under this Agreement. The terms of this Agreement may be enforced in a court of law in the State of South Dakota either by the Alliance or by any Member.

3. The consideration for the obligations imposed upon Members pursuant to and under this Agreement shall be based upon the mutual promises and agreements of all Members who now execute or who hereinafter execute this Agreement.

4. This Agreement may be executed in duplicate originals or counterparts now or at any time in the future. The individual executing this Agreement on behalf of the participating Member hereby represents and certifies that he/she is duly empowered to so execute this document.

5. No waiver of any breach of this Agreement or any provisions herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any of the other provisions herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligations or acts.

6. This Agreement shall be binding and shall inure to the benefit of all Members who shall have executed this Agreement and complied with the financial requirements hereunder and provided that the Members shall have been duly approved in accordance with the terms and provisions of this Agreement.

7. The provisions of this Agreement shall be deemed severable and if any provision or part thereof is held illegal, void or invalid under applicable law, such provision or part may be changed to the extent reasonably necessary to make the provision or part, as so changed, legal, valid or binding. If any provision of this Agreement is held illegal, void or invalid in its entirety, the remaining provisions of this Agreement shall not in any way be affected or impaired but shall remain binding in accordance with their terms and this Agreement shall be so interpreted.

8. This Agreement and the Risk Sharing Certificate contain the complete Agreement between the parties and no representations or oral statements made or heretofore given shall constitute a part of this Agreement. In the event that any provision of this Agreement is in conflict with or is incompatible with such, the terms and conditions of this Agreement shall prevail and take precedence.

9. This Agreement may be altered or amended only by amendments duly adopted in accordance with the terms and conditions of this Agreement; provided, however, that the Risk Sharing Certificate may be amended from time to time to reflect the exposures of each Member and such changes shall be exempted from the preceding terms of this paragraph.

10. The caption headings used in this Agreement are used merely for identification purposes and shall not be deemed a part of this Agreement.

11. Whenever in this Agreement words, including pronouns, are used in the singular or plural, or masculine or feminine, they may be read and construed in the plural or singular, or feminine or masculine, respectively, wherever they so apply.

12. This Agreement may be amended by the Board with the approval of two-thirds (2/3) of the members of the Board. All Members agree to properly execute and adopt amendments so approved. The payment of the Member's

Contribution to the SDPAA for the upcoming year shall be deemed consent of that Member to the terms and conditions of this Agreement and any Amendments thereto.

13. The Board may, with the approval of two-thirds (2/3) of the members of the Board, elect to reform or reconstitute the Alliance to a stock, mutual, or reciprocal insurance company operating as a captive, Risk Retention Group, or other risk sharing entity.

14. The Alliance shall maintain a fiscal year ending December 31.

ARTICLE XIII – AGENT AND OFFICE

The agent of the Alliance for service of notice shall be the Administrator, South Dakota Public Assurance Alliance, 208 Island Drive, Ft. Pierre, SD 57532.

ARTICLE XIV – NOTICE

All notices required to be given under this Agreement pursuant to Article IX shall be in writing and sent by certified mail, return receipt requested, with postage prepaid. Notices by a Member to the Alliance under Article IX shall be sent to the address in Article XIII to the attention of the Administrator. Notices to any Member under Article IX shall be sent to the representative of the Member at the Member's last known address.

Notices to be given under this Agreement pursuant to Article X, 5. shall be sent to all Members or their representatives following Board action at their last known address or their last known electronic address.

In the event that any party to this Agreement desires to change its address, notice of change of address shall be sent to the other party in accordance with the terms and provisions in this Article.

In Witness whereof, this Agreement was executed on the ______day of __________________, in the year ____________, by the undersigned duly authorized officer of the Governmental Authority indicated below:

GOVERNMENTAL AUTHORITY	SOUTH DAKOTA PUBLIC ASSURANCE ALLIANCE
Name of Entity:____________________________	
By: ______________________________________	By: David A Pfeifle
PRINT NAME: ______________________________	TITLE: Executive Director ADMINISTRATOR ON BEHALF OF ALL OTHER CURRENT AND FUTURE SIGNATORIES
TITLE:_____________________________________	

DOT-1029
(08/2021)

Agreement Number ________________

Airport Rescue Grant
CFDA No. 20.106
Federal Award Date: 12/10/2021

STATE OF SOUTH DAKOTA
DEPARTMENT OF TRANSPORTATION
DIVISION OF SECRETARIAT
OFFICE OF AIR, RAIL, AND TRANSIT
AGREEMENT FOR PROJECT NO. 3-46-0029-022-2022

This Agreement is made and entered into by and between the State of South Dakota, acting by and through its Department of Transportation, referred to in this Agreement as the "STATE," and the City of Madison, referred to in this Agreement as the "SPONSOR."

BACKGROUND:

A. On March 11, 2021, the President of the United States signed the American Rescue Plan Act (ARPA) of 2021 (H.R. 1319, Public Law 117-2) into law. ARPA provides approximately Eight Billion Dollars ($8,000,000,000.00) in funds to be awarded as economic assistance to eligible U.S. airports to prevent, prepare for, and respond to the COVID-19 pandemic, including relief from rent and minimum annual guarantees (MAG) for eligible airport concessions at primary airports.

B. To distribute these funds, the Federal Aviation Administration ("FAA") has established the Airport Rescue Grants (ARG) program. Funding will be provided at a one hundred percent (100%) federal share, with no local match required, and will be available to support capital, operating, and other expenses generally eligible under those programs to prevent, prepare for, and respond to COVID-19. These funds will provide economic relief to airports around the country affected by the COVID-19 public health emergency. ARPA divides the funding into four groups by formula that result in specific allocations to each eligible airport, as follows:

1. 100% Federal Share for Airport Development Grants. Not more than Six Hundred Eight Million Dollars ($608,000,000.00) is available to pay a federal share of one hundred percent (100%) for any grant awarded in FY 2021, or in FY 2020 with less than a one hundred percent (100%) federal share, for an airport development project, as defined in 49 U.S.C. 47102. Any amount remaining under this paragraph will be allocated as described in Group 2) below.

2. General Grants for Primary Airports. Primary Commercial Service Airports and Certain Cargo Airports share not more than Six Billion Four Hundred Ninety-two Million Dollars ($6,492,000,000.00) based first on the statutory Airport Improvement Program (AIP) primary and cargo entitlement formulas. However, the Twenty-Six Million Dollars ($26,000,000.00) limit under 49 U.S.C. 47114(c)(1)(C)(iii) and reduction for imposing passenger facility charges under 49 U.S.C. 47114(f) do not apply to these allocations. After allocating based on the statutory entitlement formulas, the remainder is then allocated based on the number of enplanements the airport had in calendar year (CY) 2019 as percentage of total 2019 enplanements for all primary airports. SPONSOR may use these funds for costs related to operations, personnel, cleaning, sanitization, janitorial services, combating the spread of pathogens at the airport, and debt service payments.

3. General Grants for Nonprimary Airports. Nonprimary Commercial Service and General Aviation Airports share not more than One Hundred Million Dollars ($100,000,000.00), allocated based on the categories (National, Regional, Local, and Basic) published in the most current National Plan of Integrated Airport Systems (NPIAS), reflecting the percentage of the aggregate published eligible development costs for each such category, and then dividing the

allocated funds evenly among the eligible airports in each category, rounded up to the nearest thousand. Any amount remaining under this paragraph will be allocated as described in Group 2) above. SPONSOR may use these funds for costs related to operations, personnel, cleaning sanitization, janitorial services, combating the spread of pathogens at the airport, and service payments.

4. Concessions Rent Relief Grants. Primary commercial service airports share not more than Eight Hundred Million Dollars ($800,000,000.00) allocated based on the number of enplanements the airport had in CY2019 as a percentage of total CY 2019 enplanements for all primary airports. SPONSOR will receive two (2) allocations, a proportional share of Six Hundred Forty Million Dollars ($640,000,000.00), and a proportional share of One Hundred Sixty Million Dollars ($160,000,000.00), to provide relief to small airport concessions and large airport concessions, respectively.

C. The STATE and the SPONSOR have entered into an agency agreement for the purpose of prevention of, preparation for, and response to the COVID-19 pandemic and establishing, constructing, and maintaining an airport, located on a portion of real property legally described as Section Thirty-two (32), of Township One Hundred Seven North (107N), Range Fifty-two West (52W) of the 5th Prime Meridian, Lake County, South Dakota, referred to in this Agreement as the "Airport."

D. The SPONSOR proposes the development of the Airport will consist of the following described items, referred to in this Agreement as the "Project":

FAA designated eligible costs which may include prevention of, preparation for, and response to the COVID-19 pandemic items, maintenance, and development expenses for which ARPA funding may be lawfully used.

NOW, THEREFORE, in consideration of these facts and the mutual covenants contained in this Agreement, the Parties agree as follows:

Section 1. Payment

Pursuant to and for the purposes of carrying out the provisions of South Dakota Codified Law (SDCL) § 50-7-15, the STATE will reimburse the SPONSOR with allocated funds for one hundred percent (100%) **of eligible Project costs, not to exceed Thirty-Two Thousand Dollars and no cents (<u>$32,000.00</u>).** The STATE will determine eligible costs in the same manner as for the Federal Aviation Administration (FAA) Grant Agreement Project Number 3-46-0029-022-2022. The STATE will make payments to the SPONSOR up to 100% of the total share of eligible Project costs listed in this section once the project costs have been approved by the FAA. The STATE may withhold the remaining ten percent (10%) of eligible Project costs until the FAA has approved the Quality Closeout Report. The STATE will pay the remaining 10% of the eligible Project costs to the SPONSOR upon notification of the FAA'S approval of the Quality Closeout Report.

Section 2. Termination

1. For Convenience. The STATE may, with the concurrence of the SPONSOR, terminate and cancel this Agreement if both parties agree, in writing, that the continuation of the Project would not produce beneficial results commensurate with the further expenditure of funds.

2. For Cause. The STATE may, by written notice to the SPONSOR, terminate the Project and cancel this Agreement for any of the following reasons:

   (a) The SPONSOR takes any action pertaining to this Agreement without the STATE'S approval when, under the terms of this Agreement, the STATE'S approval is required.

   (b) The commencement, prosecution, or timely completion of the Project by the SPONSOR is, for any reason, rendered improbable, impossible, or illegal.

(c) The SPONSOR is default under any provision of this Agreement.

Section 3. SPONSOR Assurances

1. The SPONSOR will operate the Airport as such for the use and benefit of the public. The SPONSOR will operate and maintain the Airport as a public use facility for a minimum of twenty (20) years from the date of this Agreement.

2. The SPONSOR will not exercise, grant, or permit any exclusive right for the use of the Airport. This provision will not be construed to prohibit the granting or exercising of an exclusive right for the furnishing of non-aviation products and supplies or any services of a non-aeronautical nature.

3. The SPONSOR will suitably operate and maintain the Airport and all facilities on or connected with which are necessary for airport purposes. The SPONSOR will not allow facilities on Airport property which would interfere with the SPONSOR'S use for aeronautical purposes in a safe manner. Essential facilities, including night lighting systems, when installed, will be operated in such a manner as to assure their availability to all users of the Airport.

4. Insofar as is within the SPONSOR'S powers, the SPONSOR will prevent the use of any land either within or outside the boundaries of the Airport in any manner, including construction, which would create a hazard to the landing, taking-off, or maneuvering of aircraft at the Airport, or otherwise limit the usefulness of the Airport. The SPONSOR will notify the STATE as soon as any information is known which may cause or create such hazards to the Airport.

5. The SPONSOR will not enter into any transaction which would operate to deprive the SPONSOR of any of the rights and powers necessary to perform any or all of the covenants made in this Agreement, unless by such transaction the obligation to perform all such covenants is assumed by another public agency. If an arrangement is made for management or operation of Airport by an agency or person other than the SPONSOR or an employee of the SPONSOR, the SPONSOR will reserve sufficient powers and authority to insure that the Airport will be operated and maintained in accordance with these covenants.

Section 4. Special Conditions

1. The SPONSOR will ensure any project funded under an ARG is administered in accordance with policies, standards, and specifications approved by the United States Secretary of Transportation, including, but not limited to, current FAA Advisory Circulars for AIP projects as of July 12, 2021.

2. The SPONSOR will include provisions in its subcontracts requiring its subcontractors to comply with the applicable provisions of this Agreement, to indemnify the STATE, and to provide insurance coverage for the benefit of the STATE in a manner consistent with this Agreement. The SPONSOR will cause its subcontractors, agents, and employees to comply with applicable federal, state, and local laws, regulations, ordinances, guidelines, permits, and requirements and will adopt such review and inspection procedures as are necessary to assure such compliance. Failure to comply with federal requirements related to right-of-way, environmental clearances, utilities, contract provisions, and the bid letting process could jeopardize future federal funding.

3. The SPONSOR will pay subcontractors or suppliers within fifteen (15) days of receiving payment for work that is submitted for progress payment by the STATE. If the SPONSOR withholds payment beyond this time period, the SPONSOR will submit written justification to the STATE, upon request. If it is determined that a subcontractor or supplier has not received payment due without just cause, the STATE may withhold future estimated payments or may direct the SPONSOR to make such payment to the subcontractor or supplier.

4. The SPONSOR must submit any proposed change affecting the Project to the STATE, in writing, for the STATE'S approval prior to any change.

5. This Agreement may not be amended, except in writing, which writing will be expressly identified as a part of this Agreement and be signed by an authorized representative of each of the parties to this Agreement.

6. The SPONSOR will maintain an accurate cost accounting system for all costs incurred under this Agreement with costs clearly identified with activities performed under this Agreement. All Project charges will be subject to audit in accordance with the STATE'S current procedures and 2 CFR Part 200.

7. Upon reasonable notice, the SPONSOR will allow the STATE or U.S. Department of Transportation representatives to examine all records of the SPONSOR related to this Agreement during the SPONSOR'S normal business hours. The SPONSOR will keep all such records for a period of three (3) years after the date of final payment by the STATE under this Agreement and all other pending matters are closed.

8. If the SPONSOR expends Seven Hundred Fifty Thousand Dollars ($750,000.00) or more in federal funds during any SPONSOR fiscal year covered, in whole or in part, under this Agreement, the SPONSOR will be subject to the single agency audit requirements under the U. S. Office of Management and Budget (OMB) regulations, found at 2 CFR Part 200 subpart F. If the SPONSOR expends less than Seven Hundred Fifty Thousand Dollars ($750,000.00) in federal funds during any SPONSOR fiscal year, the STATE may perform a more limited program or performance audit related to the completion of Agreement objectives, the allowability of services or costs and adherence to Agreement provisions.

9. This Agreement depends upon the continued availability of appropriated funds and expenditure authority from the Legislature for this purpose. If for any reason the Legislature fails to appropriate funds or grant expenditure authority, or funds become unavailable by operation of law or federal funds reductions, the Agreement may be terminated by the STATE. Termination for any of these reasons is not a default by the STATE nor does it give rise to a claim against the STATE.

10. The SPONSOR will provide services in compliance with the American with Disabilities Act of 1990 and any amendments.

11. The SPONSOR certifies, to the best of the SPONSOR'S knowledge and belief, that no federal appropriated funds have been paid or will be paid, by or on behalf of the SPONSOR, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a federal contract, grant, loan, or cooperative agreement. If any funds other than federal appropriated funds have been paid or will be paid to any of the above-mentioned parties, the SPONSOR will complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

    The SPONSOR will require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients will certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification will be subject to a civil penalty of not less than $10,000.00 and not more than $100,000.00 for each such failure.

12. The SPONSOR certifies, by signing this Agreement, that neither the SPONSOR nor the SPONSOR'S principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this Agreement by any federal department or agency.

13. In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, and DOT Order 3902.10, Text Messaging While Driving, December 30, 2009, the SPONSOR is encouraged to:

    A. Adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers, including policies to ban text messaging while driving when performing any work for or on behalf of the federal government, including work relating to a grant or subgrant.

    B. Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as:

        i. Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and

        ii. Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.

14. The SPONSOR will indemnify the STATE, its officers, agents, and employees against any and all actions, suits, damages, liability, or other proceeding which may arise as a result of the SPONSOR performing services under this Agreement. This section does not require the SPONSOR to be responsible for or defend against claims or damages arising solely from acts or omissions of the STATE, its officer, agents, or employees.

15. The SPONSOR has designated its Mayor as the SPONSOR'S authorized representative and has empowered the Mayor with the authority to sign this Agreement on behalf of the SPONSOR. A copy of the SPONSOR'S Commission minutes or resolution authorizing the execution of this Agreement by the Mayor as the SPONSOR'S authorized representative is attached to this Agreement as **Exhibit A**.

16. The effective date of this Agreement is **12/10/2021**. This Agreement will end four (4) years from the date of signature by the STATE.

17. Any notice or communication required under this Agreement will be in writing and sent to the following addresses:

    South Dakota Department of Transportation
    Attn: Program Manager
    700 East Broadway Avenue
    Pierre, South Dakota 57501

    City of Madison, South Dakota
    Attn: Mayor
    116 West Center Street
    Madison, SD 57042

This Agreement has been executed by the STATE and the SPONSOR acting by and through their duly authorized representatives.

City of Madison, South Dakota

By: ______________________________

Name/Printed: ______________________

Its: Mayor

Date: _____________________________

Attest:

____
City Auditor/Clerk

(City Seal)

State of South Dakota
Department of Transportation

By: ______________________________

Name/Printed: ______________________

Its: Program Manager
Office of Air, Rail, and Transit

Date: _____________________________

ORDINANCE NO. 1641

AN ORDINANCE TO AMEND APPROPRIATION ORDINANCE NO. 1624 FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2021 AND ENDING DECEMBER 31, 2021

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF MADISON, SOUTH DAKOTA:

Section I

That the following sums are appropriately supplemented to meet the obligations of the municipality:

101	**GENERAL FUND**			
	4111	MAYOR AND COMMISSION	$	45,000.00
	4211	POLICE	$	90,000.00
	4315	STORM DRAINAGE	$	42,000.00
	4322	STREET CLEANING	$	2,500.00
	4351	AIRPORT EXPENSE	$	17,000.00
	5111	TRANSFER OUT - COMMUNITY CENTER	$	90,000.00
201	**PARK AND RECREATION FUND**			
	4413	INSECT CONTROL	$	953.99
	4511	REC ADMINISTRATION	$	1,412.33
	4515	REC-WINTER PROGRAMS	$	129.00
	4522	PARK AREAS	$	8,865.00
213	**2ND CENT SALES TAX**			
	213	2ND CENT SALES TAX	$	170,000.00
214	**BUSINESS IMPR DISTRICT BID**			
	0214	BUSINESS IMPROV DISTRICT	$	9,824.00
303	**TAX INCREMENT DISTRICT #2**			
	4700	DEBT SERVICE	$	55,230.14
516	**GRANT CIRCLE TID**			
	4700	DEBT SERVICE	$	11,596.33
Total Appropriations			**$**	**544,510.79**

Section II

That the following sources of funding necessary to supplement the obligations set forth in Section I shall be derived from:

101	GENERAL FUND			
	3600	MISCELLANEOUS REVENUE	$	17,607.99
	0000	UNASSIGNED FUNDS	$	268,892.01
201	PARK & RECREATION FUND			
	3300	INTERGOVERNMENTAL REVENUE	$	3,973.00
	0000	UNASSIGNED FUNDS	$	7,387.32
213	2ND CENT SALES TAX			
	0000	UNASSIGNED FUNDS	$	170,000.00
214	BUSINESS IMPR DISTRICT BID			
	3100	TAXES	$	9,824.00
303	TAX INCREMENT DISTRICT #2			
	3100	TAXES	$	55,230.14
516	GRANT CIRCLE TID			
	3100	TAXES	$	11,596.33
Total Means of Finance			**$**	**544,510.79**

Dated this 3rd day of January, 2022

CITY OF MADISON

____
Mayor

ATTEST:______________________________
Finance Officer

1st Reading: December 27, 2021
2nd Reading: January 3, 2022
Published:
Effective:

ORDINANCE NO. 1642

AN ORDINANCE TO AMEND SECTION 2-16 ADOPTED BY ORDINANCE 1288 ON SEPTEMBER 13TH 1999

BE IT ORDAINED BY THE CITY OF MADISON, SOUTH DAKOTA:

That Section 2-16 of the Revised Ordinances of the City of Madison, also known as the Code of Ordinances, read as follows:

ARTICLE II. Board of Commissioners Sec. 2-16. Regular meeting. The regular meeting of the Board of Commissioners shall be held in the Commission Chambers in City Hall on Monday of each week. The time for the meetings shall be established by resolution by the Board of Commissioners. Authority to cancel or change the time, day or place of an individual regular meeting shall be vested with the Mayor upon 72 hours advance notice.

CITY OF MADISON

____
Mayor

ATTEST: ___________________________
Finance Officer

1st Reading: January 3, 2022
2nd Reading:
Published:
Effective: