



BOARD OF COMMISSIONERS

AGENDA

MAY 24, 2021

5:30PM – COMMISSION ROOM – 116 W CENTER ST

Please join the Zoom meeting from your computer, tablet or smartphone.

<https://zoom.us/j/99790715915>

CALL TO ORDER

ROLL CALL

You can also dial in using your phone.

+1 312 626 6799

ADOPT AGENDA

Meeting ID: 997 9071 5915

SPECIAL JOINT BOARD OF COMMISSIONERS/PLANNING COMMISSION

- 1) Hearing - 1st Reading Ordinance No. 1633 - Medical Cannabis Establishments

APPEARANCES / ACKNOWLEDGEMENTS

- 1) Acknowledge Board Meeting Minutes - April

CONSENT CALENDAR

- 1) Minutes - May 18, 2021
- 2) Claims for Approval - May 26, 2021
- 3) Claims for Ratification - May 14, 2021
- 4) Personnel - May

UNFINISHED BUSINESS

- 1) Public Hearing Temporary Retail (on-off sale) Malt Beverage License
Greater Madison Area Chamber of Commerce/Lake Area Improvement Corporation - Downtown in MadTown
- 2) Provide Direction to Staff Regarding 2021 Opening of Madison Aquatic Center

NEW BUSINESS

- 1) 1st Reading Ordinance No. 1633 - Medical Cannabis Establishments
- 2) Approve Temporary Retail (on-off sale) Malt Beverage License
Greater Madison Area Chamber of Commerce/Lake Area Improvement Corporation - Downtown in MadTown
- 3) Authorize Mayor to Sign Agreement - Lake County - 2020-2021 Purchase of Fuel
- 4) Authorize Mayor to Sign Agreement – Department of Transportation Agreement for AIP 3-46-0029-021-2021
- 5) Discuss Organizational Structure of Engineering Department
- 6) Discuss & Approve Community Center Organizational Structure and Recreation/Intramural Coordinator Position
- 7) Designate Depositories for Municipal Funds for 2021 – First Premier Bank

PUBLIC COMMENT

ANNOUNCEMENTS

- 1) Change in Meeting Date - June 1 - Memorial Day Holiday

EXECUTIVE SESSION

- 1) SDCL 1-25-2(1) & (3)

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.

**CITY OF MADISON
NOTICE OF JOINT PUBLIC HEARING
ORDINANCE NO. 1633**

A TEMPORARY ORDINANCE REGARDING THE ISSUANCE OF LOCAL MEDICAL CANNABIS ESTABLISHMENT PERMITS AND/OR LICENSES

The City of Madison Planning Commission and the City of Madison Board of Commissioners will hold a joint public hearing on May 24, 2021 at 5:30pm or as soon thereafter as the matter will be heard, in City Hall 116 W Center Street, Madison, South Dakota, in the Commission Room. All interested persons are encouraged to attend in person and comment on Ordinance No. 1633, A temporary ordinance regarding the issuance of local medical cannabis establishment permits and/or licenses.

After the public hearing, the Planning Commission may pass a resolution recommending approval of Ordinance No. 1633, with or without amendment, to the Board of Commissioners. The Board of Commissioners may have first reading of Ordinance No. 1633 by title and set a 2nd reading date. The proposed Ordinance No. 1633 will be made available for public inspection at the City Finance Office located at City Hall 116 W Center Street, Madison South Dakota pursuant to SDCL Section 11-4 and amendments thereto.

Any persons wishing to present testimony may appear at said hearing or may file written comments with the Finance Officer at 116 W Center Street, Madison, South Dakota, prior to said hearing. **All written comments desired to be included in the agenda packet must be filed no later than end of business on Thursday, May 20, 2021.** Disabled individuals may contact the Finance Officer for information and/or special assistance. The request should be made 24 hours in advance of the hearing.

/s/Sonya Wilt
Finance Officer

ORDINANCE NO. 1633

A TEMPORARY ORDINANCE REGARDING THE ISSUANCE OF LOCAL MEDICAL CANNABIS ESTABLISHMENT PERMITS AND/OR LICENSES

WHEREAS, a local government may enact an ordinance not in conflict with SDCL Chapter 34-20G, governing the time, place, manner, and number of medical cannabis establishments in the locality. A local government may establish civil penalties for violation of an ordinance governing the time, place, and manner of a medical cannabis establishment that may operate in the locality. A local government may require a medical cannabis establishment to obtain a local license, zoning permit, or registration to operate, and may charge a reasonable fee for the local license, zoning permit, or registration.

WHEREAS, the Municipality of Madison, SD ("Municipality"), makes a preliminary finding that the Municipality's current regulations and controls may not adequately address the unique needs and impacts of medical cannabis establishments as defined in SDCL 34-20G-1;

WHEREAS, medical cannabis state laws under SDCL 34-20G are effective July 1, 2021. The South Dakota Department of Health shall promulgate rules pursuant to chapter 1-26 not later than October 29, 2021, as defined by SDCL 34-20G-72. During the time between July 1, 2021 and potentially as late as October 29, 2021, local units of government will not yet know standards for medical cannabis and will not be able to adequately assess the local zoning and licensing requirements necessary to approve local permits and to better ensure applicants have a more predictable permitting process and avoid stranded investments.

WHEREAS, the Municipality makes a preliminary finding that the Municipality needs further study of the relationship of medical cannabis establishments to the Madison Comprehensive Plan and Zoning Ordinance. The public interest requires that the Municipality study, analyze, and evaluate the impacts of medical cannabis establishments and to fully explore the impacts of any proposed regulations regarding medical cannabis establishments;

WHEREAS, the Municipality makes a preliminary finding that it would be inappropriate for the Municipality to issue a local permit or license to a medical cannabis establishment prior to the South Dakota Department of Health's promulgation of regulations governing the same;

WHEREAS, the Municipality hereby exercises its authority under SDCL 11-4-3.1 and/or SDCL 9-19-13, and the Municipality Charter (if applicable) to establish a temporary ordinance regarding the issuance of any local permits/licenses for medical cannabis establishments within the Municipality;

WHEREAS, a temporary ordinance will ensure that more comprehensive zoning ordinance and building permit changes, licensing permits, and any proposed amendments to the Municipality's Comprehensive Plan can be completely examined with adequate public input from citizens, business interests, and medical cannabis industry representatives;

WHEREAS, the Municipality finds that a temporary ordinance is reasonable to preserve the status quo and prevent significant investment pending the outcome of the above study and any proposed regulations emanating therefrom;

WHEREAS, the Municipality finds that the following ordinance is necessary to protect and immediately preserve the public health, safety, welfare, peace and support of the municipal government and its existing public institutions;

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

Section 1. Temporary Ordinance – Application for Local Permit/License

A medical cannabis establishment desiring to operate in the Municipality shall be required to apply for a permit and/or license from the Municipality. Applications for a local permit and/or license to operate a medical

cannabis establishment, as defined by SDCL 34-20G-1, shall not be accepted until the South Dakota Department of Health has promulgated regulations as required by SDCL 30-20G-72. Any application received prior to such regulations being promulgated shall be denied.

Section 2. Immediate Effect.

This ordinance is necessary to protect and immediately preserve the public health, safety, welfare, peace, and support of the municipal government and its existing public institutions pursuant to SDCL 11-4-3.1 and SDCL 9-19-13.

Dated this ____th day of June, 2021.

CITY OF MADISON

Mayor

ATTEST: _____
Finance Officer

1st Reading: _____
2nd Reading: _____
Published: _____
Effective: _____

**MADISON MUNICIPAL AIRPORT BOARD
MINUTES
APRIL 20, 2021
6:00pm - Airport Lobby - 1600 Airport Drive**

CALL TO ORDER: 18:00 hrs

Roll Call: Present-Roy Brown, Myron Downs, Ken Johnson, Tim Peters, Morris Riggan, Dave Gilbert; ex-officio George Colombe, Commissioner Bob Thill. Guest: Mayor Dennert, Traci Namken, Jake Braunagle (KLJ), Aaron Storm (KLJ)

APPROVE MARCH 16, 2021 MINUTES: Motion to approve by Dave, 2nd by Roy, motion carried

APPROVE APRIL 20, 2021 AGENDA: Motion to approve by Myron, 2nd by Ken, motion carried

APPEARANCES/ACKNOWLEDGEMENTS/CORRESPONDENCE

- 1) Acknowledge Fuel Update – March: Traci updated the board on fuel purchases in April. Both 100LL and Jet A were purchased: The updated fuel prices are: \$4.20/gal for 100LL and \$3.25/gal for Jet A
- 2) Acknowledge KLJ Status Report - March 2021: Jake Braunagle, introduced Aaron Storm who will be project manager for the Apron Expansion project: Final payment is coming for the Parallel Taxiway project. The runway rehabilitation project paperwork is in FAA approval process. The Apron Expansion bid was awarded to Bowes Construction, and will receive 100 percent funding from the FAA. Scheduled start date for the project is Aug 17.

UNFINISHED BUSINESS

NEW BUSINESS

- 1) Approve Aerial Applicator License - Wilde Air Service: Motion to accept documents and approve Wilde application by Ken, 2nd by Myron, Motion carried
- 2) Ratify Bills - March 24th, March 31st, April 7th, April 14th, April 21st: Motion to ratify bills as presented by Myron, 2nd by Roy, Motion carried

PUBLIC COMMENT

ANNOUNCEMENTS

- 1) Airshow - August 14th: Morris is planning to have a small airshow/fund raiser open to the public in September. Exact date is yet to be determined
- 2) Next Meeting - May 18th

EXECUTIVE SESSION

ADJOURN: Motion to adjourn by Tim at 18:19 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, April 15, 2021 @ 7:00 AM
ZOOM Conference Call (meeting #: 975 1306 4982) and in-person

Call to Order: Danny Frisby-Griffin called the meeting to order at 7:03am in the Community Center Meeting Room and via ZOOM/conference call.

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

Members Absent: Jeff Dittman

Ex-Officio Present: Jarae Wire, Sonya Wilt

Staff Present: Nick Hansen

1. **Approval of the April 15, 2021 board meeting agenda:** Agenda was presented. Motion to approve was made by Jennie Thompson and seconded by Sara Hare. Motion carried.
2. **Approval of the March 18, 2021 board meeting minutes:** The meeting minutes were approved as presented.
3. **Committee Reports:**
 - **Executive Committee:** Report and discussion in old business agenda item 7.
 - **Budget:** None.
 - **Membership / Marketing:** With the decline in membership due to COVID the marketing and membership committee plans to meet and discuss options for gaining new members as well as bringing back past members.
 - **Facilities:** None
4. **Department Reports:** The department reports were acknowledged as presented in the board packet.
 - **Director:** Moving forward with the new party room with confirmation from the board to include a door to the pool as originally planned and budgeted for. The governing board is still in agreement in adding the door as previously decided.
 - **Fitness Coordinator:** Included in board packet
 - **Group Trainer Coordinator:** Included in board packet
 - **Aquatic Coordinator:** Report unavailable
 - **Youth Activities Coordinator:** Included in board packet
 - **Recreation/Intramural/MAC Coordinator:** Report unavailable

Old Business

5. **Discussion and decision: Covid-19 National/State/Local Emergency Declaration Support and Action plan/community support Madison Community Center Restrictions:** No new discussion. Will continue with monitoring and the current procedures and processes in place.
6. **Update and decision: Summer hours of operation:** Nick presented the possible cost savings of adjusting the summer hours due to reduced facility usage after 8:00pm. Jennie Thompson made a motion to modify the summer hours to 7:00am-8:00pm, seconded by Josh Anderson. Motion carried.

Our mission is to serve the health, wellness, recreational and social needs of Dakota State University, City of Madison and the surrounding area.

7. Discussion and decision: MAC Facility Status, Personnel update and organizational structure - MAC, REC/INTRA:

- Hiring of lifeguards is temporarily on hold while waiting to hear the status of the MAC summer plans. If MAC should not open for the summer the Madison Community Center will look into summer membership options.
- The executive board met to discuss possible organizational structures for MAC, REC/Intramurals with a recommendation to the governing board to support option 1. This option allows for growth within the rec/intramurals programs as well as the ASP, while still sharing lifeguards and instructors with MAC. Sara Hare made a motion to approve option 1-organizational structure-to be presented to the 4-person board with a second from Michelle Corey. Motion carried. Nick will meet with the 4-person board to discuss option 1-organizational structure.
- Summer rec plans will continue to move forward while waiting on the status of hiring a REC/Intramural coordinator. Will station some activities around the summer program giving the children an opportunity to participate.

New Business

- 8. Discussion and Acknowledge: March 2021 revenue and expense reports:** The DRAFT revenue and expense reports through March were acknowledged as presented in the board packet. Thank you, Sonya Wilt, for attending the meeting to answer questions regarding the DRAFT revenue and expense reports as well as any other finance related questions.
- 9. Update: MadMan Tri; June 5th, 2021 Lake Herman State Park:** None
- 10. Discussion and Decision: Gym Space (Camps, ASP, Rec):** With the upcoming summer camps and ASP/Rec activities gym space will not always be available for member usage. Gym availability will be monitored and if space is not available members will be notified prior to the event utilizing all gym space.
- 11. Discussion and Decision: Bid for pool and stairs:** TMI Coatings was on site to look at the pool and stairs. A diamond grind proposal was given. If both projects are completed together a reduction in cost would be given. The roof is the current priority, and will start with that repair, knowing the pool and stairs may be next on the maintenance priority list.
- 12. Public comments per resolution No. 2018-11:** None

Adjourn: Meeting adjourned at 8:06am.

Next scheduled board meeting is May 20, 2021 @ 7:00 am.

MINUTES OF THE BOARD OF TRUSTEES MEETING
MADISON PUBLIC LIBRARY
TUESDAY, APRIL 20, 2021

The Board of Trustees of the Madison Public Library met at 5:15 p.m., on Tuesday, April 20, 2021, via Zoom. John Nelson, Court Weck, Jody Johnson, Wilson Kleibacker, Adam Shaw, and Kelli Wollmann were present. Carrie Studer was absent.

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

Motion by Wilson Kleibacker, seconded by Kelli Wollmann, to approve the agenda as printed. Motion carried.

Motion by Court Weck, seconded by Jody Johnson, to approve the minutes of the March 16, 2021, meeting as printed. Motion carried.

Motion by Court Weck, seconded by Wilson Kleibacker, to approve the bills submitted for payment. Motion carried.

The librarian's report included the following:

- Book discussions have resumed on zoom.
- Plans for the Summer Reading Program are being finalized. We anticipate a program that is like a pre-pandemic program.
- We continue to monitor the rate of covid-19 infection and rate of vaccination for the local area. Plans are being formulated for a gradual return to pre-pandemic hours of service.

In continuing business, the librarian reported that the hotspots have been delivered. Melanie Argo is getting them ready for circulation.

A representative from FM Acoustical Tile has been in the building. They will replace the tile that has fallen from the ceiling later this summer. Additionally, they will provide an estimate for new ceilings which we will need when the extra tile we have is gone.

The librarian will contact Vermillion Public Library about their newspaper digitization project.

In new business, the Board discussed the 2022 budget request from Lake County. Motion by Wilson Kleibacker, seconded by Jody Johnson, to request \$20,000 for 2022. Motion carried.

The library will have a summer intern. Jaclynn Rogers, a DSU student, will intern at the library. Her project is the creation of a procedure manual.

There were no public comments.

Wilson Kleibacker was thanked for his 30 plus years of service on the Library Board.

Respectfully submitted,

Nancy Sabbe, Librarian

Rescheduled City of Madison Park Board Meeting Minutes

Location: City of Madison Commission Room
Thursday, April 15, 2021 @ 5:30 PM

- I. Call to Order: **Mike Miller, Allyson Nagel, J.D. Hanson, Dale Droge, Commissioner Thill**
- II. Roll Call: **6:00**
- III. Approve the April 2021 meeting agenda: **Nagel Made motion, Droge 2nd, Motion passed unanimously**
- IV. Approve the March 2021 meeting minutes: **Droge Made Motion, Hansen 2nd, Motion Passed Unanimously**
- V. Old Business:
 - 1) MAC updates: **Utilities Director Brad Lawrence updated the board on the status of the repairs of MAC. Currently the city is trying for a July 1st opening date if repairs can be completely repaired. Lawrence also provided some options of improvements that needed to be completed to make sure the pool is repaired and the damages won't reoccur.**
- VI. New Business:
 - 1) Discuss Possibilities of turf surfacing on Baughman Teener Field (Eric Hortness) **Eric Hortness provided a suggestion of turfing the teener field at Baughman Park. The Park Board made no action.**
 - 2) Discuss Concession Stand Agreements for Tournaments being held (Eric Hortness) **Eric Hortness discussed the issues with hosting tournaments and not being able to use concession stands with the current agreements with concession stand agreement holders. Park board suggested the associations work together and figure out an agreement between the associations. No action taken**
 - 3) Discuss Pool duties for personal at the MAC: **Park board briefly discussed, but no action was taken.**
- VII. Other Business:
- VIII. Public Comment
- IX. Staff Reports
 - 1) MAC Director update: **Absent**
 - 2) Recreation Director Update: **Absent**
 - 3) Parks, Forestry, Insect Control Update (Mike McGillivray): **McGillivray informed the Park Board of the last months work being completed and is preparing for spring/summer sports and duties.**

Adjourn: **Nagel made motion to adjourn, Droge 2nd, Motion Passed Unanimously**

Next meeting May 11th @ 5:30 at the City of Madison Commission Room

PLANNING COMMISSION PROCEEDINGS
CITY OF MADISON
April 13, 2021

Chairman John Groce called the meeting to order at 7:00am.

The following members were present for roll call: Chairman John Groce, Commissioners Jim Iverson, Bob Maxwell, Donna Fawbush, Roger Olson, Michael Johnson and Jennifer Wolff. Also present were City Commission Liaison Mayor Marshall Dennert, and Administrative Official Chad Comes

Motion by Commissioner Maxwell to approve the March 23, 2021 Planning Commission minutes, second by Commissioner Wolff. Motion carried unanimously.

Motion by Commissioner Fawbush, second by Commissioner Olson to approve the April 13, 2021 agenda. Motion carried unanimously.

Motion by Commissioner Iverson, second by Commissioner Johnson to move into Board of Adjustment at 7:02 am. Motion carried unanimously.

Motion by Commissioner Iverson, second by Commissioner Olson to move out of Board of Adjustment and into Planning Commission at 7:45 am. Motion carried unanimously.

Final Plat Approval – Lot 1 of Tract A of the West Center Addition to the City of Madison, Lake County, South Dakota commenced. Brett Pierce was present representing the owner, West Center Baptist Church.

Chad Comes went through the Plat for the West Center Addition. The plat shows the Detention Pond and the Catherine Avenue ROW. Chad went through the letter of Assurance Agreement. He noted that the agreement states that the completion of Catherine Avenue would need to be done within 3 years. Commissioner Iverson asked if Tract A was Zoned R-90. Mr. Comes stated that it is R-20, and east of Catherine Avenue is R-60.

Motion by Commissioner Iverson, second by Commissioner Olson to approve the Final Plat of Lot 1 of Tract A of the West Center Addition to the City of Madison, Lake County, South Dakota. Motion carried unanimously.

There were no public input comments.

Motion by Commissioner Maxwell, second by Commissioner Wolff to adjourn. Motion carried unanimously.

The meeting adjourned at 7:59am.

Dan Whitlock
Planning Commission

BOARD OF ADJUSTMENT PROCEEDINGS
CITY OF MADISON
April 13, 2021

The Planning Commission motioned to move into Board of adjustment at 7:02 am.

The following members were present for roll call: Chairman John Groce, Board Members Jim Iverson, Donna Fawbush, Jennifer Wolff, Roger Olson, Michael Johnson, and Bob Maxwell. Also present were Administrative Official Chad Comes, Board of Adjustment Alternate Mayor Marshall Dennert.

This being the time and place set for the hearing on Conditional Use Appeal Request No. 650, Jeff Scoular on behalf of Jimsco Inc. The following people were in attendance in addition to the Board and the aforementioned individuals: Brett Pierce, Mike Goth, Chris Thompson, Ryan Hegg, Jeff Scoular, Lynette Weidenbach and City Engineering Technician Dan Whitlock.

Mr. Comes went through the contents of the agenda packet for Appeal No. 650. The home being moved meets all of the standards of a type 3 home. Mr. Scoular had sent some pictures of the home. The last appeal from Jimsco was approximately 1 year ago and was very similar to the one today.

Mr Scoular spoke on the Conditional Use. He stated that the home being moved in would not look much different than a newly built manufactured home. Mr. Maxwell asked who would be moving the home in. Mr. Scoular indicated that a group out of Watertown, SD would be moving the home to its Madison location. Mr. Iverson asked what the useful life of a mobile home was. Mr. Scoular said that it varies based on many different factors. He indicated that they do yearly inspections on the homes to keep things as up to date as possible. Mr. Johnson asked about the skirting. The moved in home owner is going to try and re use the insulated skirting that is on the home in its current location. Mr. Scoular stated that he did not know if this would be possible or not because of the height that the mobile home sits off of the ground.

There were no additional opponents or proponents. Chairman Groce closed the public hearing and proceeded to the decision agenda item for appeal.

Mr. Comes pointed out that there was a typo on the Finding of Fact Sheet for Appeal No. 650 that he would make corrections on.

Motion by Ms. Fawbush , second by Mr. Johnson to approve Appeal No. 650.

Motion carried unanimously.

This being the time and place set for the hearing on Conditional Use Appeal Request No. 651, Norma Goth. The following people were in attendance in addition to the Board and the aforementioned individuals: Brett Pierce, Mike Goth, Chris Thompson, Ryan Hegg, Jeff Scoular, Lynette Weidenbach and City Engineering Technician Dan Whitlock.

Mr. Comes went through the contents of the Agenda Packet for Appeal No. 651. He touched on the Letter that was included, the site plan, landscape plan, steel siding color sheet, and the isometric drawings of the proposed storage unit. There will be east and west facing doors with the west facing doors being a larger door. He explained that the storage unit within a Hwy Business Zone is a Conditional Use. It is also within the Airport District and there will need to be an Aviation Easement supplied by the applicant/owner. Mr. Comes stated that the applicant is proposing not to use a dust free surface. It was pointed out that the applicant agreed to install a concrete approach. There will be trees planted on the south 10 feet of the property. Chad pointed out that the address on the Finding of Fact sheet should read 1720 NE 3rd Street. Mr. Johnson asked what the Aviation easement was.

Chris Thompson spoke on the storage unit. He stated that it will be a 50' x 196' unit that will sit near the west lot line. It will be constructed of the same materials and color of the existing storage unit. The applicant will plant trees along the highway side of the lot.

There were no additional opponents or proponents. Chairman Groce closed the public hearing and proceeded to the decision agenda item for appeal.

Motion by Mr. Maxwell, second by Mr. Olson to approve Appeal No. 651.

Motion carried unanimously.

This being the time and place set for the hearing on Conditional Use Appeal Request No. 652, Doug Sims on behalf of West Center Baptist Church. The following people were in attendance in addition to the Board and the aforementioned individuals: Brett Pierce, Mike Goth, Chris Thompson, Ryan Hegg, Jeff Scoular, Lynette Weidenbach and City Engineering Technician Dan Whitlock.

Mr. Comes went through the contents of the Agenda Packet for Appeal No. 651. He touched on the application form, the building plans for the church. He mentioned that the introduction to this was brought up in the last meeting on March 9, 2021. The church has agreed to put in a sewer holding tank along Catherine Avenue until the sewer is installed with the NW 9th Street project in 2022. They will be responsible for pumping out the tank until the new sewer is installed.

Brett Pierce spoke on behalf of the church. He stated that it has been a significant process to reach this point. He commended Mr. Comes for all of the help he has given them. Mr. Olson asked about the ground-breaking. Mr. Pierce indicated that it would hopefully be this spring. Mayor Dennert asked about the detention pond. It was indicated that it would be very similar to the one located in Williams Brothers Addition. It will be located on the south end of the lot. Mayor Dennert also asked about the sidewalk installation. It was brought up that the sidewalk would be installed as part of the project. There is currently no sidewalk on NW 9th Street. That will more than likely be installed with the NW 9th Street project in 2022. The church plans also show the sidewalk being installed along Catherine Avenue.

Lynette Weidenbach spoke. She is a resident of 1111 N Olive Avenue. She stated that she is happy to have the church as a neighbor. However, she is concerned with the building of N Catherine Avenue and the proximity of it and the existing waterway to her property. It was figured that the edge of N Catherine Avenue would be approximately 65' from her west property line. She was concerned about the safety of her children as they have play equipment in their back yard.

Ms. Wolff asked about the parking lot being part asphalt and part gravel. If the church would decide to go with the part asphalt and part gravel when building they would need to apply for a variance when they decided to pave the rest of the lot. Mr. Pierce stated that the gravel area is for overflow parking and they hope to be able to pave the entire parking lot when building.

There were no additional opponents or proponents. Chairman Groce closed the public hearing and proceeded to the decision agenda item for appeal.

Motion by Mr. Johnson, second by Mr. Iverson to approve Appeal No. 652. Motion carried unanimously.

Motion by Mr. Iverson, second by Mr. Olson to move out of the Board of Adjustment at 7:45am

Motion carried unanimously.

Dan Whitlock

Board of Adjustment

**CITY OF MADISON
BOARD OF COMMISSIONERS PROCEEDINGS
MADISON, SD 57042**

May 18, 2021
Regular

The Board of Commissioners of the City of Madison met in regular session at 5:30pm on the 18th day of May with the following members present on roll call: Mayor Marshall Dennert and Commissioners Jeremiah Corbin, Kelly Dybdahl, Adam Shaw, and Jerae Wire.

Motion by Commissioner Corbin to adopt the May 18, 2021 agenda. Motion seconded by Commissioner Shaw. Motion carried unanimously.

Motion by Commissioner Shaw second by Commissioner Wire, to approve the following items on the consent calendar: Minutes - May 10, 2021, Claims for Approval - May 19, 2021, Cash Balances, Gross Salaries, Bills for Ratification - April, 2021 -2022 Retail (On-off sale) Malt Beverage & SD Farm Wine License Renewals. Motion carried unanimously.

Claims for Approval - May 19, 2021:

AAA Collections Inc Apr AAA 368.64; Appeara Mat Rentals 157.87; Baker & Taylor Books 50.86; Bartels Cleaning Service MMU Cleaning Service 500.00; Big Sioux Community Water Sys Apr Usage 6,823.14; Blackstone Publishing Books 177.62; Carquest of Madison Coolant #24 68.92; CenturyLink QC May Phone Bill 90.84; City of Brookings Landfill Gate Fees 4,010.60; Coles Petroleum Products Inc Fuel 6,419.77; Core & Main GP LLC Gaskets 145.84; Craigs Welding Service Welding #24 20.00; Creative Product Source Inc Bookmarks 167.79; Dakota Riggers & Tool Supply Latch Kit For Bucket 39.06; Dash Medical Gloves Inc Nitrile Exam Gloves 225.90; Daves Window Cleaning Inc Library Windows 250.00; Daxko LLC May Spectrum Software 1,630.96; East River Electric Power Coop April Transmission 23,035.88; F&M Coop Oil Co Tire Repair/Fuel 114.00; Fastenal Co Air Filters/Duct Tape 333.42; First Bank & Trust Heartland/April Whole 306,118.68; Hach Co Chemicals 263.17; Heiman Inc Fire Extn Insp/Recharge 1,789.00; Hunter Publishing Inc Minutes/Resolution 128.15; Infotech Solutions LLC Monthly Invoice 4,130.39; Ingram Co Books 376.43; Johnson/Emily Summer 2021 CC Brochure 599.99; Jones Ace Hardware Drill & Drive Set/Painting Supp 83.13; Lake County International Inc Parts 273.59; Lake County Treasurer Fuel 283.40; Lewis Drugs Inc Paper/Bleach 16.97; Locator & Supplies Inc Arc Vest 91.32; Manitou Equipment America LLC 2nd Cent Sales Tax Rebate 614.27; Midwest Wildlife Services LLC MDS Crop Rotation 800.00; Northwestern Energy Utilities 527.32; O Reilly Automotive Inc Oil & Fuel Filters 109.83; Office Peeps Inc Paper Shredder 180.26; Penguin Random House LLC Book 81.00; RH General Construction City Admin Office Const. 1,790.07; Running Supply Inc Gloves/Tarps 36.85; SD Dept of Labor & Regulation Reemployment Benefits 495.00; SDN Technologies LLC Internet - Library 516.79; Shpigler Consulting Inc 1 Mo AMI Op Support 6,000.00; Streichers Inc Radio Pouch/ID Patches 14.04; Stuart Irby Tool Co Leather Protector 60.09; Sturdevants Madison Inc Power Steering Fluid/Misc 50.04; Timmer Supply Co Sewer & Irrigation Supplies 594.16; US Dept of Energy April 2021 Service 108,230.00; Valiant Living Inc Contracted Expenses 5,096.00; Wesco Distribution Inc Rain Gear Bag 17.43.

Cash Balances - April:

General - \$7,204,124.20; Park & Recreation - \$1,219,823.78; Lodging & Entertainment Tax - \$-17,310.65; Community Development - \$27,063.43; 2nd Cent Sales Tax - \$1,461,546.78; Business Improvement District - \$3,140.00; Special Maintenance Fee - \$1,055,220.18; 2019 September Flood - \$39,033.89; Swimming Pool Debt Service - \$358,181.77; Gerry Maloney Nature Area - \$-46,509.61; Water - \$2,643,350.10; Electric - \$3,810,655.27; Sewer - \$1,815,422.85; Community Center - \$48,712.91; Solid Waste - \$575,723.06; Recycling Center - \$183,997.99; Cafeteria Plan - \$1,062.82.

Gross Salaries - April:

Mayor & Commissioner - \$6,291.33; Finance - \$13,953.87; General Government Buildings - \$970.91; Engineer - \$47,398.72; Police - \$94,767.43; Fire - \$8,087.67; Highways & Streets - \$44,402.36; Restricted Use Site - \$1,166.25; Airport - \$2,626.11; Library - \$26,343.16; Planning & Zoning - \$350.00; Park & Recreation - \$24,135.07; Water - \$46,205.25; Electric - \$91,090.09; Sewer - \$46,010.36; Community Center - \$62,628.80; Solid Waste Collection - \$11,520.92; Recycling - \$5,136.47.

Bills for Ratification - April:

Heartland Payment Systems Fees Airport 99.15; IRS Electronic Tax Payment #7 36,643.04; CSI Fees - Community Center 71.26; Wells Fargo Bank Desktop Scanner 909.79; Wells Fargo Bank BankCard Discnt/Interch Fees 1,418.66; Money Movers Program Processing Fees 8.00; Healthy Contributions Program Processing Fees 6.05; Wealth Mgmt TFM Clean Water SRF 461024-02 85,042.06; IRS Electronic Tax Payment #8 35,025.96; SD Dept of Revenue Sales Tax 57,254.81; SD Dept of Revenue Excise Tax 10.74; Jason Coehen ck#5988 PR#8 Deposit Acct Rejected 200.00; IRS Electronic Tax Payment #9 49,850.28.

2021 - 2022 Retail (on-off sale) Malt Beverage & SD Farm Wine License Renewals:

Baltazars LLC/Los Tapatios; Casey's Retail Company Casey's General Store #1718; Cesar Cortez/Tienda Hispana; Classic Corner LP/Classic Corner; Classic Convenience Inc/Dakota Express; Contarino Honomichl LLC/Sundog Coffee; Dakota Cinema LLC/Dakota Cinema; Dolgen Midwest LLC/Dollar General Store #1093; El Pino LLC/El Vaquero; MNK LLC/The Beauty Bar; Jorgenson Enterprises Inc/Conoco One Stop; Par Four Tavern LLC/The Office Bar & Grill; Players Of Madison Inc/Players Of Madison; Seven Inc/Lucky Bucks Casino; Sodexo America LLC/Sodexo America #10344; Thytil Enterprise LLC/Madison Discount Liquor.

In unfinished business, discussion was held on the status of the 2021 Opening of the Madison Aquatic Center. Brad Lawrence provided an update on the plans from the engineer, bid documents are being finalized to get the information out for bids for the electrical and boiler components.

Following input from the Park and Rec Board the Park and Rec Board would like Allyson Nagel to continue to serve until a replacement is found for her spot on the board. Motion by Commissioner Corbin, second by Commissioner Shaw, to appoint Mark Ferber to the Park and Rec Board for a 3-year term and Allyson Nagel until a replacement is found. Motion carried unanimously.

Luke Christiansen and Sarah Cotton were present to request the ability to keep chickens at his property. An ordinance is being drafted and will be before the Commission in the coming weeks.

Motion by Commissioner Shaw, second by Commissioner Wire, to adopt Resolution No. 2021-13 - A Resolution to Establish a Convention Center Liquor License Fee. Motion carried unanimously.

RESOLUTION NO. 2021-13

A RESOLUTION TO ESTABLISH A CONVENTION CENTER LIQUOR INITIAL LICENSE FEE AND RENEWAL FEE FOR THE CITY OF MADISON, SOUTH DAKOTA

WHEREAS, the Board of Commissioners approves any application for a convention facility on-sale liquor license pursuant to SDCL 35-4-11.2,

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

That the following convention center liquor license fees be hereby adopted for 2021 in accordance with SDCL 35-4-2 (13):

Initial License Fee	\$1.00 per capita per last federal census
Annual Renewal License Fee	\$1,500

Dated this 18th day of May, 2021.

CITY OF MADISON

/s/Marshall Dennert
Mayor

ATTEST: /s/Sonya Wilt
Finance Officer

Motion by Commissioner Corbin, second by Commissioner Wire, to adopt Resolution No. 2021-14 - A Resolution Authorizing the Issuance of RD Wastewater Revenue Bond. Motion carried unanimously.

RESOLUTION NO. 2021-14

A RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF NOT TO EXCEED \$3,214,000 WASTEWATER PROJECT REVENUE BOND OF THE CITY OF MADISON; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; PROVIDING FOR A SPECIAL CHARGE OR SURCHARGE FOR THE PURPOSE OF PAYING PRINCIPAL OF AND INTEREST ON SAID BOND AS THEY BECOME DUE; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH.

BE IT RESOLVED by the City Commission of the City of Madison, South Dakota (the "City"), as follows:

SECTION 1. Bond Purpose, Authorization and Findings.

- 1.01. The City currently operates a municipal Wastewater utility under SDCL 9-40 (the "Utility"), consisting of a system or part of a system, for the collection, treatment, and disposal of sewage and other domestic, commercial, and industrial wastes.
- 1.02. The City is authorized to borrow money and issue its revenue bonds under SDCL Chapter 9-40 and 6-8B (the "Act"), in order to defray the cost of acquiring and constructing the improvements to the Utility, ("Improvements") which are established as a separate and segregated set of books and accounts that record revenues, expenses, assets and liabilities attributable to the financed improvements to the Utility generally described on Exhibit A hereto (the "Project").
- 1.03. The City determines it necessary and expedient to issue the Sewer Project Revenue Bond (the "Bond") for the purpose of defraying the cost of the Improvements and hereby declares the necessity therefore. The City shall adopt special rates or surcharges for the Improvements to be pledged, segregated and used for the payment of the Bonds.
- 1.04. The City is authorized to acquire the Improvements, to issue its Bond, 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 Bond, including, without limitation, those covenants set forth in Sections 9-40-15 through 9-40-17 of the Act. The Bond is payable solely from the revenue or income attributable to the operation of the Improvements and shall not constitute an indebtedness of the City within the meaning of South Dakota constitution Article 13 § 4 or any statutory provisions or limitations. The City does hereby find as follows:
- 1.05. Notwithstanding the segregation of the Improvements for finance and financing purposes, the physical facilities constituting the Improvements are fully incorporated into the integrated water system that is the Utility. Similarly, the surcharge for Improvements services and the connection fees (that produce the Revenues that are pledged to the payment of the Bonds) are components of the Utility's comprehensive rate structure. Consequently, although the revenues and income of the Utility are not pledged to the payment of the Bonds, the water rights, facilities and customer base of the Utility support the financial operation of the Improvements.

SECTION 2. Terms of the Bond.

- 2.01. The Bond shall be issued in an aggregate principal amount not exceeding \$3,214,000 and shall be sold to the United States of America. The Bond will bear interest at a rate or rates per annum resulting in an interest rate not greater than 1.875% per annum and will mature over a period not to exceed forty (40) years. The Bond shall be issued in one series. The Mayor and Finance Officer are hereby authorized and directed to agree with the United States of America upon the exact purchase price, principal amount, maturities, interest rate or rates, payment dates and redemption provisions for the Bond, within the parameters set forth in this Section.

SECTION 3. Execution, Authentication, Delivery and Form of the Bond.

- 3.01. The Bond shall be prepared under the direction of the Finance Officer and shall be executed on behalf of the City by the signatures of the Mayor and the Finance Officer, and countersigned by an attorney actually residing in the State of South Dakota and duly licensed to practice therein, and shall be sealed with the official corporate seal of the City; provided that all signatures may be printed, engraved or lithographed facsimiles of the originals. In case any officer whose signature or a facsimile of whose signature shall appear on the Bond shall cease to be such officer before the delivery of any Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same

as if he had remained in office until delivery. The City hereby appoints the Finance Officer of the City as bond registrar, transfer agent and paying agent (the "Registrar") for the Bond.

SECTION 4. Surcharge or Special Charge for Project Revenue Bond; Pledge

There shall be charged a monthly surcharge or special charge for the services provided by the Improvement financed by the Bond pursuant to Section 15 of the Act. The surcharge shall be segregated from other revenues of the Utility and shall be used for the payment of principal of and interest on the Bond. The initial surcharge shall be set by resolution, and collected at the same time as other charges of the utility. This surcharge shall remain in effect until such time as the Bond is paid in full or discharged. All users, current and future, shall be charged the surcharge for it has been found that all users benefit from the Improvements. The surcharge is found to be equitable for the services provided by the Improvements. The amount of the surcharge shall be reviewed not less than annually and shall be modified in order to provide such funds as are set forth herein. All modifications may be made by resolution. No resolutions setting the surcharge shall be subject to referendum for they are necessary for the support of government. The special charge or surcharge shall begin at such time as will produce sufficient revenue to pay principal of and interest on the Revenue Bond when due. The City shall account for the surcharge as provided in SDCL Chapter 9-40 and Section XI of the South Dakota Department of Legislative Audit Municipal Accounting Manual.

SECTION 5. Creation of Accounts, Appropriation

- 5.01. Project Accounts. For the purpose of application and proper allocation of the income of the Project and to secure the payment of principal and interest on the Project Revenue Bond, the mandatory asset segregations or subaccounts in this Section shall be included in the sewer system account of the City and shall be used solely for the following respective purposes until payment in full of the principal of and interest on the Revenue Bond.
- 5.02. Project Revenue Account. There shall be deposited periodically into the Project Revenue Account all revenues derived from the operation of the Project. (hereafter "Project Revenues"). All Project Revenues shall be segregated and subdivided into separate accounts as designated and described in Sections 5.03 to 5.08 in the order provided and are irrevocably pledged and appropriated for the payment of principal of and interest on the Bond.
- 5.03. Operating Account. No less than monthly, there shall first be set aside and credited to the Operating Subaccount such amounts 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 Improvements which are then due and payable, or are to be paid prior to the next apportionment. As described in Section
- 5.04. Construction Account. An account to be designated as the Sewer Project Construction Account ("Construction Account") is established. The Construction Account shall be used only to pay as incurred and allowed costs which under generally accepted accounting principles are capital costs of the Improvements, and of such future acquisitions, reconstructions, improvements, betterments or extensions of the Utility 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, easements and utility rights, interest accruing on Bond during the first year following the date of their delivery, if and to the extent that the Debt Service Account is not sufficient for payment of such interest, reimbursement of 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 Account shall be credited as received all proceeds of the Bond, except amounts appropriated to the Debt Service Account under Section 5.05 and any amount to be deposited to the Reserve Account under Section 5.06, all other funds appropriated by the City for the improvement of the Utility, hereof shall be deposited in the Construction Account and applied to repair, replacement and restoration of the Utility; any proceeds in excess of the amount necessary for that purpose shall be transferred to the Debt Service Account. No amount shall be expended from the construction account unless contracts have been entered into and completion bonds furnished in an amount sufficient to ensure completion of the Improvements at a cost not exceeding the amount then on hand for such purpose.
- 5.05. Debt Service Account. An account to be designated as the Sewer Project Revenue Bond Debt Service Account ("Debt Service Account") is established. Upon each monthly apportionment, there shall be set aside and credited to the Debt Service Account out of the Project Revenues 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 the Bond. Moneys from time to time held in the Debt Service Account shall be disbursed only to meet payments of principal and interest on Bond as such payments become due; provided, that on any date when the outstanding Bond is due or

prepayable by their terms, if the amount then on hand in the Debt Service Account, together with the balance then on hand in the Reserve Account, is sufficient, with other moneys available for the purpose, to pay the Bond 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 Debt Service Account are temporarily insufficient therefor, such payment shall be advanced out of any Project Revenues theretofore segregated and then on hand in the Reserve Account, the Replacement and Depreciation Account or the Surplus Account. 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 Debt Service Account 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 utility as defined by SDCL §9-40-17 within 24 months.

- 5.06. Reserve Account. An account to be designated as the Sewer Project Revenue Bond Reserve Account ("Reserve Account") is established. On a monthly basis, the City shall next deposit into the Reserve Account an amount which a year of monthly deposits will equal 10% of the maximum debt service due in any future calendar year. The deposits shall continue for ten years or until the balance is equal to one annual debt service payment. Said balance shall be maintained by such additional deposits to the Reserve Account as may be necessary. Prior written concurrence from the Agency must be obtained before funds may be withdrawn from this account during the life of the loan. When funds are withdrawn during the life of the loan, deposits will continue as designated above until the fully-funded amount is reached.
- 5.07. Replacement and Depreciation Account. An account to be designated as the Replacement and Depreciation Account is established. There shall next be set aside and credited, upon each monthly apportionment, to the Replacement and Depreciation Account such portion of the Project 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 Utility, which reserve shall be accumulated and maintained. Moneys in this account shall be used only for the purposes above stated or, if so directed by the City Council, to redeem the Bond which is prepayable according to its terms, to pay principal or interest when due thereon as required in Section 5.13 hereof, or to pay the cost of improvements to the Utility.
- 5.08. Surplus Account. An account to be designated as the Sewer Project Revenue Bond Surplus Account ("Surplus Account") is established. Any amount of the Project Revenues from time to time remaining after the above required applications thereof shall be credited to the Surplus Account, and the moneys from time to time in that account, when not required to restore a current deficiency in the Debt Service Account as provided in Section 4.04 hereof, may only be retained or used for any lawful purpose.
- 5.09. Accounting. The City shall follow the municipal accounting requirements of the South Dakota Legislative Audit. The above named accounts may be designated in accordance with South Dakota municipal accounting standards.
- 5.10. Deposit and Investment of Funds. The City Finance Officer shall cause all moneys to be deposited as provided in South Dakota Law and allowed by applicable federal regulations.
- 5.11. Optional Redemption. The Bond is subject to optional redemption on any date at par plus accrued interest to date of redemption to refinance the unpaid balance, in whole or in part, of its Bond upon the request of the United States Department of Agriculture (the "Government") if at any time it shall appear to the Government that the City is able to refinance its Bond by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as authorized by 7 CFR §1782.11. The City may not have a "defeasance" as it is prohibited by 7 CFR §§ 1782.3 and 1782.16.
- 5.12. Defeasance and Additional Bonds. As permitted by SDCL 9-40-8 and SDCL 9-40-9, additional bonds payable from revenues and income of the system may be issued, and no provision of this Resolution shall have the effect of restricting the issuance of, or impairing the lien of, such additional parity bonds with respect to the net revenues or income from the extensions, additions or improvements provided the consent of the Government is obtained. The City shall have the right to issue additional bonds secured by a lien subordinate to the lien from the Bond. The City may not defease the Bonds. The City may not borrow money, enter into any contractor agreement, or otherwise incur any liabilities for any purpose in connection with the Utility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.

- 5.13. Prepayments and Extra Payments. Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of City. Refunds, extra payments, and loan proceeds obtained from outside sources for the purpose of paying down the Government debt, shall, after payment of interest, be applied to the principal. Partial prepayment shall not affect the obligation of the City to pay the remaining installments as scheduled.
- 5.14. The Bond is subject to all of the provisions and limitations of Loan Resolution RUS Bulletin 1780-27 (the "Loan Resolution"). Any provision in this resolution conflicting with Loan Resolution RUS Bulletin 1780-27 is null and void.

SECTION 6. Covenants, Remedies and Rates.

- 6.01. General. The City covenants and agrees that until the Bond is fully discharged as provided in this Resolution, it will continue to hold, maintain and operate the Utility 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 Project Fund and the several accounts therein as provided in Section 4. The City will cause the Improvements to be constructed in accordance with plans and specifications previously prepared and will not enter into contracts in excess of the amount provided for such purpose.
- 6.02. 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.
- 6.03. Billings. The charges for sewer 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 sewer utility service and compliance with all such rules and regulations. The City may reduce the number of days before the service will be disconnected from sixty to any lesser number of days by ordinance or resolution. The City shall take all appropriate legal action to collect the unpaid charges. The City shall follow the procedures, if any, set by South Dakota Codified Laws for disconnection of service during the winter months.
- 6.04. Remedies. The holder of the Bond shall have such remedies as are set forth in SDCL 9-40.
- 6.05. Statutory Lien. There shall pursuant to SDCL 9-40-25 be a statutory mortgage lien upon the Improvements in favor of and for the equal benefit of the lawful holders of the Bond issued pursuant to SDCL 9-40, except no such lien shall attach to or become a charge upon or against any property or Utility or any part thereof previously owned by the City. Until the Bond is fully paid with interest, the City shall not sell or otherwise dispose of the Utility and shall not establish, authorize or grant a franchise for the operation of any other Utility in competition with the City. The statutory lien shall continue until the Bond is paid in full.
- 6.06. Electronic Preauthorized Debit System. All payments of principal of and interest on the Bond shall be made through the electronic preauthorized debit system which will allow payments to be electronically debited from the City's account on the day the payment is due.
- 6.07. Bond Anticipation Note. The City Commission does hereby authorize the issuance and sale of a bond anticipation note in the manner and subject to the limitations set forth in SDCL §§ 6-8B-26 to 6-8B-29, inclusive. The Mayor and Finance Officer are authorized to take such action as is necessary to issue the bond anticipation note.

The above and foregoing Resolution was read by Mayor Dennert and was moved for adoption by Commissioner Corbin seconded by Commissioner Wire. Motion carried unanimously, whereupon the Mayor declared the Resolution to be duly passed and adopted.

CITY OF MADISON

/s/Marshall Dennert
Mayor

Attest: /s/Sonya Wilt
Finance Officer

Motion by Commissioner Shaw, second by Commissioner Dybdahl, to adopt Resolution No. 2021-15 - A Resolution Authorizing a Loan with USDA for Wastewater System Improvements. Motion carried unanimously.

RESOLUTION NO. 2021-15
(Public Bodies)

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF MADISON AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS IMPROVEMENTS TO WASTEWATER SYSTEM FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the City of Madison (herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of Three Million Two Hundred Fourteen Thousand & 00/100 pursuant to the provisions of SDCL; and

WHEREAS, the Association intends to obtain assistance from the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE, in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legally permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.

7. Not to defease the bonds, or to borrow money, enter into any contractor agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USDA. No free service or use of the facility will be permitted.
According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0121. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.
11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.
12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
14. That if the Government requires that a reserve account be established, disbursements from that account(s) may be used when necessary for payments due on the bond if sufficient funds are not otherwise available and prior approval of the Government is obtained. Also, with the prior written approval of the Government, funds may be withdrawn and used for such things as emergency maintenance, extensions to facilities and replacement of short lived assets.
15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain USDA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
17. To accept a grant in an amount not to exceed \$ NA under the terms offered by the Government; that the NA and NA of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution

or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee.

The vote was: Yeas 5 Nays 0 Absent 0

IN WITNESS WHEREOF, the City Commission of the City of Madison has duly adopted this resolution and caused it to be executed by the officers below in duplicate on the 18th day of May, 2021.

CITY OF MADISON

/s/Marshall Dennert
Mayor

Attest: /s/Sonya Wilt
Finance Officer

Motion by Commissioner Corbin, second by Commissioner Shaw, to adopt Resolution No. 2021-16 - A Resolution Establishing a Sewer Surcharge for Sewer System Improvements. Motion carried unanimously.

RESOLUTION NO 2021-16

A RESOLUTION PROVIDING FOR A SURCHARGE FOR IMPROVEMENTS TO SEWER SYSTEM, FOR PAYMENT OF A REVENUE BOND AND YEARLY REVIEW OF THE SURCHARGE

1. **Surcharge for Bond Issue.** There shall be charged a monthly surcharge for the services provided by the improvement financed by the Rural Development Loan. The surcharge for the loan shall be segregated from other revenues of the city and shall be used for the payment of the \$3,214,000 Wastewater Project Revenue Bond (the "Bond"). Provided that such surcharge shall create net income, remaining from time to time after first paying all reasonable and current expenses of maintenance, repairs, replacements and operation, sufficient to fund interest, reserve and debt service fund annual requirements.
2. **Rates and collection.** The City does hereby establish the special charge or surcharge payable by each customer of its system who receives or benefits from the services of the project financed with the Bond. Such charge or surcharge shall be set at a level which, assuming a 10% delinquency rate, will produce income at the times and in amounts sufficient to pay when due the principal of and interest on the Bond and the and all other payments as may be required under the loan and Bond.
3. **Bond Surcharge.** The following initial surcharge shall be applicable to all customers served until adjusted under paragraph 5:
\$3,214,000 Sewer Project Revenue Bond \$6.00 per user per month

The surcharge shall remain in effect until such time as the Bond is paid in full. The surcharge shall be collected at the same time as other charges of the system. The surcharge is found to be equitable for the services provided by the improvements.
4. **Segregation.** The debt service surcharge shall be segregated from other income of the system in a separate book keeping account and is pledged to the United States of America acting through Rural Development for the payment of the loan payments on the Bond.
5. **Yearly review.** The amount of the surcharge shall be reviewed from year to year and may be modified in order to provide such funds as are set forth herein. The charges shall be reviewed yearly by the City Council and administratively adjusted, upwards or downwards, to such amounts as may be necessary to pay principal, interest, administrative surcharge and other charges as may become due and owing under the loan or Bond.
6. **Billing and Accounting.** The surcharge shall be included in the monthly user bill. Nothing contained herein requires the surcharge be indicated on the billing, however, the surcharge segregation shall be indicated on the books of the City.

7. **Automatic Repeal.** The surcharge for the Bond shall be automatically repealed when the Bond is paid in full.
8. **Partial Invalidity.** If any one or more of the provisions of this Resolution shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof.

Dated this 18th day of May, 2021.

CITY OF MADISON

/s/Marshall Dennert
Mayor

ATTEST: /s/Sonya Wilt
Finance Officer

Motion by Commissioner Shaw, second by Commissioner Wire, to adopt Resolution No. 2021-17 - A Resolution Authorizing the Issuance of RD Storm Sewer Sales Tax Revenue Bond. Motion carried unanimously.

RESOLUTION NO. 2021-17

RESOLUTION, GIVING APPROVAL TO THE ISSUANCE OF A SALES TAX REVENUE BOND TO FINANCE NEW STORM SEWER PROJECT AND AUTHORIZING THE SALE OF SAID SALES TAX REVENUE BOND

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF MADISON AS FOLLOWS:

1. **Declaration of Necessity.** The City of Madison (the "City") desires and deems it necessary to make a capital improvement to and a Bond, the proceeds of which will be used to New storm sewer piping will be installed at the intersection and the existing storm sewer manholes, junction boxes, and drop inlets will be replaced. The new location of the structures will be coordinated in a way so that the City of Madison can make the intersections ADA compliant. The same size of pipe will be used as long as that pipe is a minimum of 18 inches in diameter. For example, if a pipe will be replaced that is 24 inches in diameter, a new 24 inch pipe will be installed. If the existing pipe is only 15 inches in diameter, the new storm sewer pipe will have a diameter of 18 inches. Besides replacing the storm sewer pipe and structures at the intersections, there are also two stretches in streets in which storm sewer piping will be replaced(the "Project"). The City has requested a loan from the United States through the Rural Utilities Service (the "Government").
2. **Authority.** The City is authorized to issue its Sales Tax Revenue Bond, Series 2021, to finance the capital improvements pursuant to Section 10-52-2.10 of the South Dakota Codified Laws. Pursuant to Chapter 10-52 of the South Dakota Codified Laws (the "Act") the City proposes to issue municipal non-ad valorem revenue Bond (as herein authorized, the Sales Tax Revenue Bond, Series 2021, or the "Bond") to finance the Project. The City is authorized by the Sales Tax Act to levy a "non-ad valorem tax" (as defined by the Act) on the sale, use, storage, and consumption of items taxed under Chapters 10-45 and 10-46 of the South Dakota Laws, subject to certain, as amended, exceptions.
3. **Term of Bond.** The City shall issue the Bond in the principal amount of \$3,434,000. The Bond shall be signed by the Mayor, attested by the Finance Officer, countersigned by a resident attorney, and shall bear interest from its date, which shall be the date of delivery at a rate not to exceed 1.875% percent per annum; the principal and interest shall be paid over a period of forty (40) years in accordance with the terms of the Government.
4. **Sales Tax Ordinance.** The City Commission has adopted Ordinances 1338 and 1380, which constitutes the City's effective Sales Tax Ordinance (the "Sales Tax Ordinance"). The Sales Tax Ordinance has been duly adopted pursuant to the Act and effectively and validly imposes the sales and use tax authorized by the Act within the City, such tax being hereinafter referred to as the "Sales Tax".

5. Findings. The City Commission hereby finds and determines as follows:
 - 5.1. The Project constitutes improvements which qualify for the financing under and pursuant to SDCL Chapter 10-52, and the Sales Tax Ordinance; and
 - 5.2. The sales tax revenue bond authorized hereby is being issued to pay costs of the Project which have not been incurred or paid as of the date hereof and/or which the City has heretofore declared its intention to finance with bond proceeds and for which the City has no other available means or source of financing.
 - 5.3. It is in the best interests of the City to authorize the borrowing of funds to pay a portion of the costs of the Project by authorizing and issuing its Sales Tax Revenue Bond, Series 2021.
6. No Election Required. The Bond may be issued by the City without an election pursuant to SDCL §10-52-2.10.
7. Form of Bond. The Bond shall be prepared in substantially the form on file with the Finance Officer and open to public inspection, in final form as approved by the Government.
8. Security Provisions; Funds and Accounts and Other Covenants and Determinations.
 - 8.1. Assignment and Pledge of Revenue. The Bond is hereby authorized to be incurred, together with the interest thereon, shall be payable solely from the collections of Sales Tax, a sufficient portion of which will be sufficient to pay the principal and interest as and when the same shall become due, is hereby assigned, and pledged and shall be set aside for that purpose.
 - 8.2. Protection and Disposition of Funds. The City shall be the custodian of all funds of the City. Funds may be deposited in institutions insured by the State or the Government or invested in readily marketable securities backed by the full faith and credit of the United States. The Finance Officer is hereby directed to establish the following accounts into which the current funds of the City, Bond proceeds, the revenues from the Sales Tax, and any other income shall be deposited, which accounts shall be continually maintained, except as otherwise provided, so long as the indebtedness hereby authorized remains unpaid:
 - 8.2.1. Construction Account. The proceeds of the Bond hereby authorized not disbursed contemporaneously with loan closing for incurred costs, and amounts contributed by the city for the Project, shall be deposited in the Construction Account which shall be established as required by the Government. Withdrawals from the Construction Account shall be made by the City as authorized by the governing body from time to time, and with prior concurrence of the Government. The City's share of any insurance or liquidated damages and other monies paid by defaulting contractors or their sureties will be deposited in the Construction Account to assure completion of the Project. When all construction costs have been paid in full, any balance remaining in the Construction Account may be applied on to the Bond or used for other authorized purposes that have been approved by the Government and the Construction Account shall be closed.
 - 8.2.2. Sales Tax Fund. All Sales Tax receipts received shall be set aside in the fund required by South Dakota Legislative Audit (the "General Account"), and disbursements and transfers from this account shall be in the following priority: Debt Service, Operations and Maintenance, transfers to Reserve Account. Any income from these accounts will be considered as revenues of the Debt Service Account.

Monies deposited in the General Account shall be used only in the manner and order as follows:

 - (a) The City making monthly Debt Service Payments shall use the General Account for making such payments plus operating and maintenance expenses. Also, funds will be transferred from this account to the Reserve Account in accordance with (d) below.
 - (b) The City making other than monthly Debt Service Payments shall use the General Account to pay operating and maintenance expenses. Other transfers from this account will be made in the following order:
 - (1) Transfers to the Debt Service Account will be made in accordance with (c) below,
 - (2) Transfers to the Reserve Account will be made in accordance with (d) below.
 - (c) Debt Service Account. For the City's Debt Service Payments, transfers shall be made from the General Account and set aside in the account designated as the Debt Service Account, in amounts sufficient to pay principal and interest of the next installment on the Bond.

(d) Reserve Account From the remaining funds in the General Account, after transfers and payments required in (b)(1) or (b)(2) and (c), there shall be set aside into an account designated as the Reserve Account the sum of \$1,020 each month until the sum of \$122,388 is reached. With the prior written approval of the Government, funds may be withdrawn and used for such things as bond principal and/or interest payments, emergency maintenance, extensions to facilities and replacement of short-lived assets, subject to conditions established by the Government. The Reserve Account shall be a subaccount within the Debt Service Account.

(e) Whenever there shall accumulate in the General Account amounts in excess of those required in subsections (b)(1) and (2), (c), and (d), such excess will be used by the organization to make prepayments on the loan or retained in the General Account.

(f) The accounts required in subsections (b)(1) and (2), (c), and (d) may be established and maintained as bookkeeping accounts or as separate bank accounts at the election of the City, unless otherwise directed by the Government.

8.2.3. Other Covenants and Agreements of the City. The City covenants and agrees that so long as the indebtedness hereby authorized remains unpaid;

(a) It will indemnify the Government for any payments made or losses suffered by the Government.

(b) It will comply with applicable State laws and regulations and continually operate and maintain the Project in good condition.

(c) It will establish and maintain such books and records relating to the its financial affairs, and will provide for the annual audit thereof, in such manner as may be required by the Government; will provide the Government without its request a copy of each such audit; and will make and forward to the Government such additional information and reports as it may from time to time require.

(d) It will provide the Government, at all reasonable times, access to all books and records relating to the Project and access to the property of the Project so that the Government may ascertain that the City is complying with the provisions hereof and with the provisions of other instruments incident to the making or insuring of the loan.

(e) It will maintain at least such insurance and fidelity bond coverage as may be required by the Government.

9. Electronic Preauthorized Debit System. All payments of principal of and interest on the Bond shall be made through the electronic preauthorized debit system which will allow payments to be electronically debited from the City's account on the day the payment is due.

10. Refinancing. If at any time it shall appear to the Government that the City is able to refinance the amount of the indebtedness then outstanding, in whole or in part, by obtaining a loan for such purposes from responsible cooperative or private credit sources at reasonable rates and terms for loans for similar purposes and periods of time, the City will, upon request of the Government, apply for and accept such loan in sufficient amount to repay the Government and will take such actions as may be required in connection with such loan.

11. Prepayments. Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of the borrower. Refunds, extra payments and loan proceeds obtained from outside sources for the purpose of paying down the Agency debt, shall, after payment of interest, be applied to the principal. Partial prepayment shall not affect the obligation of the borrower to pay the remaining installments as scheduled.

12. Additional Bond. No additional Bond may be issued on a parity or subordinate basis to the Bond without written approval of the Government.

13. Certification of Proceedings. The officers of the City are authorized and directed to prepare and furnish to the purchasers of the Bond certified copies of all proceedings and records of the City relating to the authorization and issuance of the Bond and such other affidavits and certificates as may reasonably be required to show the facts relating to the legality and marketability of the Bond as such facts appear from the officer's books and records or 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 action stated therein to have been taken.
14. Bond Anticipation Note. The City Commission does hereby authorize the issuance and sale of a bond anticipation note in the manner and subject to the limitations set forth in SDCL §§ 6-8B-26 to 6-8B-29, inclusive. The Mayor and Finance Officer are authorized to take such action as is necessary to issue the bond anticipation note.
15. Resolution Becomes Effective Upon Passage. This Resolution shall become effective upon passage.

CITY OF MADISON

/s/Marshall Dennert
Mayor

ATTEST: /s/Sonya Wilt
Finance Officer

Motion by Commissioner Shaw, second by Commissioner Dybdahl, to adopt Resolution No. 2021-18 - A Resolution Authorizing a Loan with USDA for Storm Sewer Facility Improvements. Motion carried unanimously.

RESOLUTION NO. 2021-18

LOAN RESOLUTION (Public Bodies)

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF MADISON AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS IMPROVEMENTS TO STORM SEWER FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the City of Madison (herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of Three Million Four Hundred Thirty-Four Thousand and 00/100 pursuant to the provisions of SDCL; and

WHEREAS, the Association intends to obtain assistance from the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE, in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.

4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legally permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contractor agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USDA. No free service or use of the facility will be permitted. *According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0121. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.*
11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.
12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
14. That if the Government requires that a reserve account be established, disbursements from that account(s) may be used when necessary for payments due on the bond if sufficient funds are not otherwise available and prior approval of the Government is obtained. Also, with the prior written approval of the Government, funds may be withdrawn and used for such things as emergency maintenance, extensions to facilities and replacement of short lived assets.

15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain USDA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
17. To accept a grant in an amount not to exceed \$ NA under the terms offered by the Government; that the NA and NA of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee.

The vote was: Yeas 5 Nays 0 Absent 0

IN WITNESS WHEREOF, the City Commission of the City of Madison has duly adopted this resolution and caused it to be executed by the officers below in duplicate on this 18th day of May, 2021.

CITY OF MADISON

/s/Marshall Dennert
Mayor

Attest: /s/Sonya Wilt
Finance Officer

Motion by Commissioner Corbin, second by Commissioner Shaw, to adopt Resolution No. 2021-19 - Approve Legal Services Agreement. Motion carried unanimously.

RESOLUTION NO. 2021-19

A RESOLUTION APPROVING LEGAL SERVICES AGREEMENT

BE IT RESOLVED by the City of Madison that Meierhenry Sargent LLP be retained as bond counsel for the proposed Sales Tax Revenue Bond and that the Mayor and Finance Officer are authorized to negotiate and execute the form of the Legal Services Agreement on file with the City Finance Officer.

Motion by Commissioner Corbin, seconded by Commissioner Shaw. Motion carried unanimously.

CITY OF MADISON

/s/Marshall Dennert
Mayor

Attest: /s/Sonya Wilt
Finance Officer

Motion by Commissioner Shaw, second by Commissioner Wire, to authorize the Mayor to sign a Legal Services Agreement with Meierhenry Sargent LLP. Said agreement allows the attorney to perform all legal services necessary to

give a bond opinion for the Water System Improvements for a fee of 1% of the Bond Amount. Motion carried unanimously.

Motion by Commissioner Dybdahl, second by Commissioner Corbin to authorize the Mayor to sign a Placement Agent Agreement with Colliers Securities LLC for Wastewater/Sanitary Sewer System Improvement and Storm Sewer System Bonds Series 2021 for a total fee of \$49,860 or .75% of the borrowing amount. Motion carried unanimously.

Bid Schedule 1 - Phase 2 - Base Bid A for Madison Water System Improvements was reviewed: Halme, Inc - \$5,949,410.75, First Rate Excavate, Inc - \$5,994,475.00, Winter Contracting, LLC - \$6,474,994.80, H&W Contracting, LLC - \$7,682,600.72. Motion by Commissioner Shaw, second by Commissioner Wire to award Bid Schedule 1 to Halme, Inc for \$5,949,410.75, contingent upon RD approval. Motion carried unanimously.

Bid Schedule 2 - Phase 2 - Base Bid B (Water Tower Loop Line) for Madison Water System Improvements was reviewed: Halme, Inc - \$485,009.90, Winter Contracting, LLC - \$497,766.60, Prunty Construction - \$508,922.88, H&W Contracting, LLC - \$551,333.50, J&J Earthworks, Inc - \$562,137.85, First Rate Excavate, Inc - \$582,910.40. Motion by Commissioner Corbin, second by Commissioner Shaw to award Bid Schedule 1 to Halme, Inc for \$485,009.90, contingent upon RD approval. Motion carried unanimously.

Bid Schedule 3 - Phase 1B - Base Bid and Bid Alternate 1 & 2 for Madison Water System Improvements was reviewed: J&J Earthworks, Inc - Base - \$3,100,048.70, Alternate 1 - \$795,227.85, Alternate 2 - \$958,923.00, Winter Contracting - Base - \$3,426,012.05, Alternate 1 - \$932,423.45, Alternate 2 - \$1,074,791.40, Prunty Construction Co - Base - \$3,620,400.04, Alternate 1 - \$822,445.78, Alternate 2 - \$977,523.02, First Rate Excavate, Inc - Base - \$3,628,300.00, Alternate 1 - \$34,700.00, Alternate 2 - \$1,015,600.00, H&W Contracting LLC - Base - \$3,787,302.03, Alternate 1 - \$945,792.37, Alternate 2 - \$1,141,485.85. Motion by Commissioner Shaw, second by Commissioner Wire to award Bid Schedule 3 Base Bid to J&J Earthworks Inc for \$3,100,048.70, Bid Alternate 2 to J&J Earthworks Inc for \$958,923.00, Bid Alternate 1 to J&J Earthworks Inc for \$795,227.85, all contingent on RD approval. Motion carried unanimously.

Motion by Commissioner Shaw, second by Commissioner Dybdahl, to Authorize Mayor to Electronically Sign Grant Agreement for \$13,0000 with the FAA for AIP# 3-46-0029-021-2021 - Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA). Motion carried unanimously.

Motion by Commissioner Corbin, second by Commissioner Shaw, to authorize the Mayor to sign Amendment No. 1 to Services Agreement with Utilismart Corporation for the Meter Data Management system for Utilismart MDM- Exeleron prepay system integration for a total cost of \$2,000 with funds to come from unobligated electric funds. Motion carried unanimously.

Motion by Commissioner Shaw, second by Commissioner Corbin, to nominate Ryan Hegg to serve on the Lewis and Clark Regional Water System Board of Directors. Motion carried unanimously.

There will be a public hearing on May 24, 2021 for Ordinance No. 1633 - Medical Cannabis Establishments.

The City Finance & Utility Billing Office Summer Hours will be June 1 - September 3, 2021 - 7:30am - 4:00pm. Utility Payment Drop Box at City Hall and Website are available 24 hours a day.

Motion by Commissioner Shaw, second by Commissioner Wire to enter into executive session pursuant to SDCL 1-25-2(3) at 7:01pm. Motion carried unanimously.

The Mayor declared the group out of executive session at 7:31pm.

Motion by Commissioner Dybdahl, second by Commissioner Shaw to adjourn.

The Board of Commissioners adjourned at 7:32pm.

/s/Sonya Wilt
Finance Officer

**CITY OF MADISON
PERSONNEL
MAY 2021**

NAME	EFFECTIVE DATE	PRESENT STATUS	RECOMMENDED STATUS	PRESENT RATE/SALARY	RECOMMENDED RATE/SALARY	POSITION	FUND	DEPARTMENT
Lee, Daniela	4/23/2021	NA	PT<20	NA	\$10.85	Lifeguard	Community Center	Aquatics
Denne, Oakley	4/25/2021	FT	FT	\$31.31	\$39.14	Journey Lineman	Electric	Electric
Rowley, Debbie	4/26/2021	PT<20	Temporary	\$13.00	\$13.00	Park Maintenance I	Parks	Park Areas
Mathison, Scott	4/26/2021	PT<20	Temporary	\$15.50	\$15.50	Park Maintenance II	Parks	Park Areas
Mathison, Robert	4/26/2021	PT<20	Temporary	\$15.25	\$15.25	Park Maintenance II	Parks	Park Areas
Jung, Dustin	4/26/2021	NA	FT	NA	\$19.76	Distribution and Collection Operator	Water	Water
Bates, Conner	5/2/2021	NA	PT<20	NA	\$10.85	Lifeguard	Community Center	Aquatics
Mohr, Christopher	5/4/2021	NA	Temporary	NA	\$13.50	Park Maintenance I	Parks	Park Areas
Anderson, Justin	5/6/2021	FT	FT	21.71	\$22.81	Water and Wastewater Operator II	Wastewater	Wastewater
Berreth, Jameson	5/10/2021	NA	FT	NA	\$108,236.26	City Administrator	General	Finance
Christianson, Christian	5/10/2021	NA	Temporary	NA	\$13.75	Park Maintenance II	Parks	Park Areas
Harrell, Payton	5/10/2021	PT<20	PT<20	9.45	\$10.05	Fitness Assistant	Community Center	Fitness
Boldt, Anna	5/10/2021	NA	PT<20	NA	\$11.05	Group Instructor	Community Center	Fitness
Hunsley, Carson	5/10/2021	PT<20	Temporary	9.45	\$9.45	Front Desk	Community Center	Administration
Hunsley, Carson	5/10/2021	PT<20	Temporary	9.45	\$11.05	Supervisor on Duty	Community Center	Administration
Brooks, Jacob	5/10/2021	PT<20	Temporary	9.45	\$9.45	Front Desk	Community Center	Administration
Brooks, Jacob	5/10/2021	PT<20	Temporary	9.45	\$11.05	Supervisor on Duty	Community Center	Administration
Augspurger, Jacob	5/10/2021	PT<20	Temporary	9.45	\$9.45	Front Desk	Community Center	Administration
Augspurger, Jacob	5/10/2021	PT<20	Temporary	9.45	\$11.05	Supervisor on Duty	Community Center	Administration
Keller, Tessia	5/10/2021	PT<20	Temporary	9.45	\$9.45	Front Desk	Community Center	Administration
Keller, Tessia	5/10/2021	PT<20	Temporary	9.45	\$11.05	Supervisor on Duty	Community Center	Administration
Murphy, Marcus	5/12/2021	NA	FT	NA	\$43.84	Electric Utility Supervisor	Electric	Electric
Guse, Noah	5/12/2021	NA	Temporary	NA	\$13.25	Park Maintenance II	Parks	Park Areas
Williams, Karissa	5/17/2021	NA	PT<20	NA	\$10.85	Lifeguard	Community Center	Aquatics
Brooks, Abigail	5/19/2021	NA	Temporary	NA	\$9.45	Recreation Assistant	Community Center	Children Recreation Programs
Garry, Grayson	5/19/2021	NA	Temporary	NA	\$9.45	Recreation Assistant	Community Center	Children Recreation Programs
Frank, Jenna	5/19/2021	NA	Temporary	NA	\$9.45	Recreation Assistant	Community Center	Children Recreation Programs

**CITY OF MADISON
NOTICE OF PUBLIC HEARING
UPON APPLICATION FOR SALE OF ALCOHOLIC BEVERAGES**

Notice is hereby given pursuant to SDCL 35-2-5 that a public hearing will be held on Monday, May 24, at 5:30pm, or as soon thereafter as the matter may be heard, in City Hall, Madison, South Dakota, in the Commission Room, to consider a temporary retail (on-off sale) malt beverage license application from the following:

Greater Madison Area Chamber of Commerce/Lake Area Improvement Corporation
DownTown in MadTown
July 20, 27 and August 3, 10, 17, 24
100 Block of N Egan Ave

Any persons wishing to present testimony may appear at said hearing or may file written comments with the Finance Officer at 116 W Center Street, Madison, South Dakota, prior to said hearing. Disabled individuals may contact the Finance Officer for information and/or special assistance. The request should be made 24 hours in advance of the hearing.

/s/Sonya Wilt
Finance Officer

Published once at the approximate cost of \$__.

**APPLICATION FOR A TEMPORARY
MALT BEVERAGE LICENSE**

**City of Madison
116 W. Center Street
Madison SD 57042**

Date 4-27-21

Honorable Mayor
City Commissioners
Madison, South Dakota

I herewith submit my application for a temporary malt beverage license for the date of
July 20, 27, August 3, 10, 17, 24, 20 21.

Location 100 Block N Egan Ave

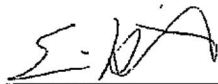
Fee per license: \$5.00

Enclosed is a check in the amount of \$ 5.00 to cover said fee.

Greater Madison Area Chamber of Commerce & Lake Area Improvement Corp
Name of Firm, Corporation or Partnership Making Application

Greater Madison Area Chamber of Commerce & Lake Area Improvement Corp
Name of Organization, Person or Firm Holding the Event

313 S. Egan Ave Madison 57042
Street Address City Zip Code



Signature of Applicant

4-27-21

Date

For Office Use Only

Receipt No. 101.3200.3261 Date _____ Amount \$ _____

Fuel Agreement

Lake County, South Dakota, a county, and the City of Madison, a municipality, both political subdivisions of the State of South Dakota, hereby enter into the following joint power fuel agreement pursuant to SDCL 1-4-2, et seq.:

Recitals

WHEREAS, Lake County and Madison are desirous of entering into a joint agreement for the cooperation and purchase of fuel: and

WHEREAS, Lake County has sufficient storage tanks and equipment to handle the needs of both the county and the municipality: and

WHEREAS, it appears that mutual benefits may be obtained by the bulk purchase of fuel, saving money for both entities of government;

NOW, THEREFORE, in consideration of the mutual promises and obligations herein contained, and in consideration of the participation in and benefits to be derived from this joint fuel agreement, the parties hereby agree as follows:

(1) This agreement shall commence on the 1st day of July 2021 and shall continue for a term of one (1) year, ending at 11:59 pm on the 30th day of June 2022 unless otherwise renewed by the parties in writing.

(2) That Lake County, South Dakota shall administer this program

(3) The purpose of this joint agreement is to save on the cost of fuel by cooperating with the City to economized on the equipment needed for the fuel storage and to save on the purchase of fuel through larger bulk purchases.

(4) All City and County departments authorized by their respective commissioners to use fuel shall have access to the fuel under this agreement.

(5) The parties agree that fuel service will be available twenty-four (24) hours a day, three hundred sixty-five (365) day per year unless there is a mechanical malfunction in the system.

(6) In the event of mechanical malfunction in the system, it shall be the responsibility of the Lake County Highway Department to pay for repair costs and such repair shall be made promptly in a reasonable manner. During the time of system failure, each department shall be responsible for their own separate fuel supply at their own cost.

(7) It shall be the County's responsibility to order fuel as needed in bulk. Upon receipt of the bill for each fuel delivery, County will bill the City for the City's share. The City's share will be determined by the City's prior use. City will pay its share according to the monthly printouts. The City's payment shall be direct to the vendor. Each month, the City will receive a billing report for gallons used and the cost. The gallon cost shall be the bid price when fuel is purchased. See the example attached hereto as Exhibit "A".

(8) County will be responsible for all maintenance costs, keeping the facility available to City and responsible for overhead.

(9) Any unity of local government desiring to terminate this agreement shall indicate such intention in writing by its Chief Executive Officer or elected official to the Chief Executive Officer or elected official of the other entity. Termination of participation in this joint fuel agreement shall be deemed to be effective sixty (60) days after receipt of such notice. The parties shall pay according to the previous schedule of payments up to the date of termination.

IN WITNESS WHEREOF, we have set our hands and seals this

_____ Day of _____, 2019.

LAKE COUNTY, SOUTH DAKOTA

By: _____

Chairman, Lake County

Board of Commissioners

CITY OF MADISON, SOUTH DAKOTA

By: _____

Mayor, City of Madison, SD

ATTEST:

ATTEST:

Lake County Auditor

City Finance Officer

EXHIBIT "A"

The City will pay \$0.27 per gallon to cover the administrative costs to the County. The County will bill the City each time gas and/or diesel fuel is purchased. City will pay the cost of fuel directly to the vendor. Each month the City will receive a report for gallons used. The total gallons used monthly report will be the total used to calculate the \$0.27 administrative cost billing.

Example:

FUEL DELIVERY

Fuel Delivery Date: _____

Gallons

Type Fuel

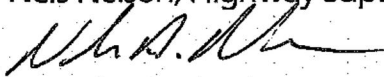
Total Cost

<u>Gallons</u>	<u>Type Fuel</u>	<u>Total Cost</u>

Total – City's portion of fuel delivery:

Vendor:

Nels Nelson, Highway Supt.



Date: 05/10/2021

FUEL SYSTEM EXPENSES

2020

EQUIPMENT DEPRECIATION COST:	124.87	
MISCELLANEOUS SUPPLIES/REPAIRS:	16,336.49	*includes new fuel system
UTILITY EXPENSE:		
EMPLOYEE COST:	<u>7,240.95</u>	
Total:	<u>23,702.31</u>	

TOTAL GALLONS FUEL FOR 2020 87,292.00

COST PER GALLON FOR YEAR:

0.27

Fuel System Fuel Used in 2020

	<u>Gas</u>	<u>Diesel</u>
Hwy Dept.	23,637	27,599
City of Madison	2,260	17,362
Valiant Living	4,545	-
Sheriff	9,742	-
Weed	-	208
Extension	-	-
Courthouse Bldg.	959	85
DOE Dept.	26	-
911 Communications	-	-
Commission Dept/& others.	-	-
EMA Dept.	846	16
Zone/Commission Dept.	7	
TOTAL:	<u>42,022</u>	<u>45,270</u>

COST: \$ 23,702.31 GALLONS: 87,292
Cost per Gallons: 0.27

Utilities: \$ -

Employee Costs:

Hwy Supt.	10 hours @ \$27.75	\$ 277.50
Office Manager:	240 hours @ \$16.45	\$ 3,948.00
Shop :	30 hrs @ \$20.06	\$ 601.80
Sub Total:		\$ 4,827.30
Benefits 50%		\$ 2,413.65
TOTAL EMPLOYEE COST:		\$ 7,240.95

Misc. supplies/repairs @ Fuel Island: 16,366.49

CFDA No. 20.106

Federal Award Date: May 10, 2021

**STATE OF SOUTH DAKOTA
DEPARTMENT OF TRANSPORTATION
DIVISION OF SECRETARIAT
OFFICE OF AIR, RAIL, AND TRANSIT
AGREEMENT FOR PROJECT NO. 3-46-0029-021-2021**

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 City of Madison, referred to in this Agreement as the "SPONSOR."

BACKGROUND:

- A. On December 27, 2020, the President of the United States signed the Coronavirus Response and Relief Appropriation Act (CRRSAA) (H.R. 133, Public Law 116-260) into law. CRRSAA provides approximately \$2 billion in funds to be awarded as economic relief to eligible U.S. airports and eligible concessions at those airports to prevent, prepare for, and respond to the coronavirus disease 2019 (COVID-19) public health emergency.
- B. To distribute these funds, the Federal Aviation Administration ("FAA") has established the Airport Coronavirus Response Grant Program (ACRGP). These funds will provide economic relief to airports around the country affected by the COVID-19 public health emergency. Funding will be provided at a one hundred percent (100%) federal share, with no local match required, and will be available for costs related to operations, personnel, cleaning, sanitization, janitorial services, combating the spread of pathogens at the airport, and debt service payments. Grants for operating expenses may not include any activities prior to January 20, 2020.
- 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 Four (4) and Five (5) of Township One Hundred Six North (106N) and Section Thirty Two (32) of Township One Hundred Seven North (107N), Range Fifty Two west (52W), of the 5th P.M., 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 CRRSAA 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 Thirteen Thousand Dollars and No Cents (\$13,000.00)**. The STATE will determine eligible costs in the same manner as for the Federal Aviation Administration (FAA) Grant Agreement Project Number 3-46-0029-021-2021. 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. As may be applicable, the "Conditions" and "Assurances" contained in the Airport Improvement Program (AIP) Grant Agreement for Project No. 3-46-0029-021-2021 are included in and incorporated into this Agreement by reference.

2. Eligible costs for this Agreement will be as indicated in the AIP Grant as determined by the FAA.
3. 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.
4. 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.
5. The SPONSOR must submit any proposed change affecting the Project to the STATE, in writing, for the STATE'S approval prior to any change.
6. 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.
7. 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.
8. 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.
9. 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.
10. 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.
11. The SPONSOR will provide services in compliance with the American with Disabilities Act of 1990 and any amendments.

12. 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.

13. 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.
14. 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.
15. 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.
16. 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**.
17. The effective date of this Agreement is **May 10, 2021**. This Agreement will end four (4) years from the date of signature by the STATE.

18. 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
Attn: Mayor
116 West Center Street
Chamberlain, 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: _____

Its: Mayor

Date: _____

Attest:

City Auditor/Clerk

(City Seal)

State of South Dakota
Department of Transportation

By: _____

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

Date: _____