

## MINUTES

### ABERDEEN CITY COUNCIL MEETING

City Council Chambers, 123 South Lincoln Street, Municipal Building, Aberdeen, South Dakota, October 23, 2023 at 5:30 p.m., regular meeting of the City Council.

#### **CALL TO ORDER**

##### MEETING ROLL CALL

Present at roll call were City Council Members Rob Ronayne, Erin Fouberg, Charlotte Liebelt, Josh Rife via teleconference, Alan Johnson, Tiffany Langer via teleconference, David Novstrup, and Mayor Travis Schaunaman. City Council Member Justin Reinbold was absent.

City Staff present were Robin Bobzien, Ron Wager, Stuart Nelson, Ken Hubbard, Joel Weig, Dave McNeil, and Jordan McQuillen.

##### PLEDGE OF ALLEGIANCE

Mayor Schaunaman led the Pledge of Allegiance.

#### **APPROVAL OF AGENDA**

Motion by Ronayne, second by Novstrup to approve the agenda with an amendment to remove New Business Item 6D, Rideline Procurement Policy. Voice vote to approve, all present voting aye, motion carried.

#### **APPROVAL OF MINUTES**

Motion by Liebelt, second by Johnson to approve the minutes of the October 16, 2023 City Council Meeting, as circulated. Voice vote to approve, all present voting aye, motion carried.

#### **OPEN FORUM**

No one appeared in open forum to address the Council.

#### **CONSENT CALENDAR**

Motion by Ronayne, second by Liebelt to approve the following items on the consent calendar:

2024 LICENSE RENEWALS FOR RETAIL LIQUOR, PACKAGE LIQUOR, AND RETAIL WINE – Retail On-Sale Liquor (RL): Rivett Lodging Aberdeen dba Aberdeen Super 8 East, 2405 Sixth Avenue, SE; Aberdeen Ventures, LLC dba AmericInn of Aberdeen, 301 Centennial Street; Pounders, Inc. dba Pounders, 1702 Sixth Avenue SE; Aberdeen Cuisine, Inc. dba Ruby Tuesday Restaurant, 3125 Sixth Avenue SE; Package Off-Sale Liquor (PL): Rivett Lodging Aberdeen dba Aberdeen Super 8 East, 2405 Sixth Avenue SE; Kens Supermarket, Inc dba Ken’s Botte Shop, 2105 Sixth Avenue SE; Miller & Holmes, Inc dba M&H Gas, 202 Sixth Avenue SE; Pounders, Inc. dba Pounders, 1702 Sixth Avenue SE; Retail On-Off Sale Wine and Cider (RW): Allevity Entertainment, LLC dba Allevity Entertainment, 130 Centennial Street; MP Aberdeen, LLC dba My Place Hotel, 410 Harvard Street South; APEX Events, LLC dba NSU Athletic Facilities, 1416 State Street South; Revive Day Spa, Inc. dba Revive Day Spa, 301 Main Street South;  
SET HEARING DATE – of November 6 2023 at 5:30 P.M. for (1) Petition to Rezone

property described as Lots 466 & 467, Morning Heights Subdivision in the NE¼ of Section 19-T123N-R63W of the 5th P.M., Brown County, South Dakota (616 Rock Street South; (2) New Retail On-Off Sale Malt Beverage and SD Farm Wine License o Maria Santana dba Albertanos Aberdeen, 311 Sixth Avenue SE; and (3) New Retail On-Off Sale Malt Beverage and SD Far Wine License to Petrus Van Vurren dba Barbeque Twist, 410 Main Street South  
COMMUNITY EVENT PERMIT – Aberdeen Downtown Association for Trick or Treat on Main Street on October 31, 2023 at Main Street South

REQUEST FOR STREET USE – 423 Main Street South, two parking spots in front of McQuillen Creative for Trick or Treat on Main Street on October 31, 2023

PLATS – (1) Terry West Addition to the City of Aberdeen, in the NW¼ of Section 13-T123N-R64W of the 5th P.M., Brown County, South Dakota (624 Main Street North – One block South of Scotty’s Diner); (2) Wylly First Addition to the City of Aberdeen, in the NW¼ of Section 25-T123N-R64W of the 5th P.M., Brown County, South Dakota (114 Church Drive – One block Southwest of Zion Lutheran Church); (3) Embury-Suedmeier First Addition to the City of Aberdeen, in the SE¼ of Section 19-T123N-R63W of the 5th P.M., Brown County, South Dakota (1425 & 1501 Mel Ros Drive – Three blocks Northeast of Sunshine Park); and (4) Les Schwab Addition to the City of Aberdeen, in the NE¼ of Section 20-T123N-R63W of the 5th P.M., Brown County, South Dakota (704 Melgaard Road South – South of Great Plains Bank)

REPORTS AND MINUTES – Aberdeen Airport Board Meeting Minutes; Board Of Zoning Adjustment Meeting Minutes; Aberdeen City Planning Commission Meeting Minutes; K.O. Lee Aberdeen Public Library Board Of Trustees Meeting Minutes – receive and place on file

LOTTERY NOTICES – Aberdeen Area Non-Profit Network; Sigma Alpha Iota Alumnae – receive and place on file

PROCLAMATIONS – National Veterans Small Business Week – October 30, 2023 – November 3, 2023; V.F.W. Buddy Poppies – November 2, 2023 – November 11, 2023 – receive and place on file

Voice vote to approve, all present voting aye with City Council Member Novstrup abstaining on Consent Item A, motion carried.

### **NEW BUSINESS**

#### **PUBLIC HEARING AND APPROVAL OF RETAIL ON-SALE MALT BEVERAGE AND SD FARM WINE LICENSE**

Mayor Schaunaman opened a hearing on a request for a new Retail On-Off Sale Malt Beverage and SD Farm Wine License for Pik Wong dba International Kitchen, 1721 Sixth Avenue SE. No public comments were received. Mayor Schaunaman closed the hearing and called for a vote. Motion by Ronayne, second by Fouberg to approve a Retail On-Off Sale Malt Beverage and SD Farm Wine License to Pik Wong dba International Kitchen, 1721 Sixth Avenue SE. Roll call vote to approve, all present voting aye, motion carried.

FIRST READING OF ORDINANCE NO. 23-10-02 REPEALING SECTIONS OF THE ABERDEEN CITY CODE REGARDING SPECIAL SECURITY GUARDS

City Attorney Ron Wager explained that with new technology and services available to clients today, the City no longer needs to regulate and engage special security guard licenses and requests approval of first reading of Ordinance No. 23-10-02 Repealing Sections of the Aberdeen City Code regarding Special Security Guards. Discussion was held. Motion by Ronayne, second by Johnson to approve first reading of Ordinance No. 23-10-02 as presented. Roll call vote to approve, all present voting aye, motion carried.

APPROVAL OF RESOLUTION NO. 23-10-02R APPROVING THE AMENDED PROJECT PLAN FOR TIF NO. 39

City Attorney Ron Wager explained the Council created TIF No. 39 with the adoption of Resolution No. 23-05-01R in May 2023. That Resolution specifically identifies reimbursable project costs and the interest rate. The construction cost estimates were less than presented and the interest rates have changed, therefore a formal amended Project Plan was created. Wager requests approval of Resolution No. 23-10-02R approving the amended Project Plan for TIF No. 39. Discussion was held. Motion by Johnson, second by Novstrup to approve Resolution No. 23-10-02R as presented. Roll call vote to approve, all present voting aye, motion carried.

**RESOLUTION NUMBER 23-10-02R**

**RESOLUTION APPROVING AMENDED PROJECT PLAN FOR  
TAX INCREMENT FINANCING DISTRICT NUMBER 39**

**WHEREAS**, a public hearing was held before the Planning Commission of the City of Aberdeen, South Dakota, on October 17, 2023, at 6:00 p.m., in Council Chambers in the Municipal Building, 123 South Lincoln Street, Aberdeen, South Dakota, pursuant to notice of such hearing, for the purpose of considering, pursuant to SDCL § 11-9-18, an amendment to the project plan submitted by Developer, Homes Are Possible, Inc., on September 22, 2023 (hereafter “Amended Project Plan”), for Tax Increment Financing District Number 39 (hereafter the “District”); and

**WHEREAS**, the Planning Commission at such regular meeting did confirm the District boundaries shall remain the same as the District boundaries approved by the City Council of the City of Aberdeen, South Dakota, set forth at Resolution No. 23-05-01R creating the District, but that the Amended Project Plan seeks to change the amounts for project costs and the financing interest rate; and

**WHEREAS**, the Planning Commission at such regular meeting did recommend to the City Council that it approve and adopt the Amended Project Plan; and

**WHEREAS**, such action by the Planning Commission was done in accordance with SDCL Chapter 11-9 at a regular meeting of the said Planning Commission after notice properly given and after due hearing and being appropriately and properly advised.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of Aberdeen,

South Dakota, as follows:

1. Resolution No. 23-05-01R and the Development Agreement executed by the parties on May 19, 2023, are republished and incorporated herein by reference and all of their provisions remain the same except as expressly modified hereby as follows:

(a) Paragraph 3(b) of Resolution No. 23-05-01R is amended as follows:

3. *Creation and Conditions.* The District is hereby created with an effective date of May 15, 2023, and upon the following conditions:

...

(b) *Payment of Project Costs.* Project costs in the amount of \$3,625,073, plus interest computed at 6.20% per year, are eligible for reimbursement by the City from positive tax increments. No project cost incurred after five (5) years following the creation of the District may be paid from positive tax increments unless an amendment to the Project Plan is adopted. All outstanding indebtedness for project costs financed by Homes Are Possible, Inc. (the Owner and Developer of land which has been designated the “HAPI 2<sup>nd</sup> North Subdivision”), and their successors and assigns, shall be paid or retired, and all tax increment bonds shall mature, no later than the term of the District.

...

(b) Paragraph 1, of Section 1 – Definitions, of the Development Agreement is amended as follows:

1. **DEFINITIONS.** Unless the context otherwise requires, the terms used in this Agreement will have the meanings set forth in this Paragraph 1. If not defined in this Agreement, capitalized terms will have the meaning given to them in the Project Plan, as amended.

...

“**Reimbursable Costs**” means those costs set forth in the Project Plan in the amount of **\$3,625,073**, plus interest computed at **6.20% per year**, which are eligible for reimbursement by the City for the use of Tax Increment Revenues, subject to limitations as set forth in this Agreement and the Project Plan.

...

2. *Acceptance by Developer.* Developer may accept this Resolution by executing and acknowledging the same within 20 days of the date of adoption of this Resolution. Upon timely acceptance of this Resolution, Developer shall be bound by all terms and conditions contained herein. If Developer timely accepts this Resolution, it shall become effective 20 days after the completed publication, unless the referendum is invoked.

3. *Severability.* The provisions of this Resolution are severable. If any provision of this Resolution or the application thereof to any person or circumstance is held to be invalid, such invalidity shall not affect other provisions or applications of this Resolution which can be given effect without the invalid provision or application.

Number of AYES: 8; Number of NAYS: 0; Members abstaining: 0

/s/ Travis Schaunaman, Mayor ATTEST: /s/Jordan McQuillen, Finance Officer

#### APPROVAL OF PURCHASE OF A MOTOR GRADER

City Engineer Stuart Nelson requested approval of a purchase of a motor grader from Butler Machinery Company in the amount of \$385,971.00. Discussion was held. Motion by Liebelt, second by Novstrup to approve the purchase of a motor grader from Butler Machinery Company as presented. Roll call vote to approve, all present voting aye, motion carried.

#### CHANGE ORDER/PAYMENT FOR SOUTH DAKOTA STREET ROADWAY IMPROVEMENTS

City Engineer Stuart Nelson requested approval of Change Order No. 3, an increase in the amount of \$24,533.94 and Payment No. 5 in the amount of \$339,948.30 to Reede Construction, Inc. for work on the South Dakota Street Roadway Improvements Project. Motion by Johnson, second by Novstrup to approve Change Order No. 3 in the amount of \$24,533.94 and Payment No. 5 in the amount of \$339,948.30 to Reede Construction, Inc. for work on the project. Roll call vote to approve, all present voting aye, motion carried.

#### APPROVAL OF PURCHASE OF CARBON TANK MIXER FOR WATER TREATMENT PLANT

City Engineer Stuart Nelson explained the current tank was not functioning properly and broken mixer blades were discovered and requested approval of purchase of Carbon Tank Mixer from SPX Flow in the amount of \$30,116.00 for the Water Treatment Plant. Motion by Ronayne, second by Johnson to approve purchase of Carbon Tank Mixer from SPX Flow in the amount of \$30,116.00 as presented. Roll call vote to approve, all present voting aye, motion carried.

#### APPROVAL OF PURCHASE OF VARIABLE FREQUENCY DRIVES FOR THE WATER TREATMENT PLANT

City Engineer Stuart Nelson explained these frequency drives will help us regular the water flow and requested approval of purchase of variable frequency drives from DSG in the amount of \$11,385.82 for the Water Treatment Plant. Discussion was held. Motion by Novstrup, second by Liebelt to approve purchase of variable frequency drives from DSG in the amount of \$11,385.82 as presented. Roll call vote to approve, all present voting aye, motion carried.

#### **REVIEW AND APPROVAL OF CLAIMS**

Motion by Ronayne, second by Johnson to approve payment of the bills listed for October 23, 2023 and payroll period from October 8, 2023 through October 21, 2023.

Bills having been audited by the Finance Officer and fully itemized and authorize the Mayor or City Manager to sign, and the Finance Officer to countersign, all warrants for payment of the following approved bills: Jeff Deuel 625.20, Aberdeen Chamber Of Comme 20.00, Marco Technologies LLC 75.50, Brown County Landfill 18.00, Aberdeen News 1,290.52, Dakota Doors Incorporated 335.20, Eddie's Northside Sinclair 301.04, Hach Co 3,494.80, Direct Automation LLC 218.74, Auto Value Parts/Hedahls 86.87, J & N Seeding 1,500.00, Sd Redbook Fund 60.00, CenturyLink 1,216.83, Graymont (Wi) LLC 6,104.32, Midstates Group 570.05, Share Corp 229.74, Crawford Trucks & Equip 131.09, Aberdeen Awards 120.00, Macqueen Emergency Group 566.78, Dependable Sanitation 472.00, Energy Laboratories Inc 231.30, Jarman's Water Systems 443.70, Northern Valley Communications 575.62, Kirk's Auto 840.94, Reede Construction Inc 339,948.30, South Dakota One Call 250.88, Menards Inc 69.82, Killoran Trucking & Broke 27,890.84, First Line Technology 4,055.00, Matheson Tri-Gas Inc 155.10, L&T Lawn Care LLC 75.00, Lynn Card Company 317.00, Best Western Ramkota-Rapi 1,925.82, State Bar Of South Dakota 500.00, Butler Machinery Co 118.17, Geffdog Designs 987.00, Knight Towing 350.00, Abdn Area Humane Society 5,400.00, Napa Central 161.40, James Valley Coop Tele Co 32.10, Safety Vision LLC 296.72, Runnings Supply Inc #14 344.47, Interstate Battery Arling 150.95, Verizon Wireless 64.90, OPD Business Solutions LLC 82.31, Aberdeen Finance Corp 150.00, Andrew Borkowski, 38.97, Lori Boettcher 108.47, 4Site Advisors Inc 25.68, Eugene Lamb 43.41, Brian Shishnia 340.87, Centurylink 8,734.27, Elavon Merchant Services 250.00, Paymentech LLC 4,000.00, United Parcel Service 500.00, Dacotah Bank 150.00, Aberdeen Convention & Visitors Bureau 30,385.88.

Payroll for the period from October 8, 2023 through October 21, 2023 and city share of social security, old age & survivor's insurance, retirement, health and life insurance: EFTPS 146,737.58; SD Retirement 90,504.50; Governing Body 3,435.71; City Manager 8,304.95; City Attorney 7,684.22; Finance 19,082.96; HR 8,320.92; Building 1,933.77; Computer 5,275.07; Planning/Zoning 13,141.62; Engineering 9,300.50; Police 169,621.29; Fire 143,511.34; Housing/Building 6,752.00; Street 34,474.79; Traffic 8,068.82; Solid Waste 23,404.72; Transportation/Ride Line 20,591.06; Library 30,227.09; Parks, Rec & Forestry 107,166.00, Wolf, Muriah 13.00/hr., Miller, Makylie 13.50/hr., Brockhaus, Ashley 13.25/hr., Otto, Maximillian 13.00/hr., Russell, Ethan 13.00/hr., Ask, Blake 13.00/hr., Meyer, Jackson 13.00/hr., Simon, Daylin 13.50/hr., Becker, Lexie 13.25/hr.; Airport 15,845.16, Black, Marvin 28.50/hr.; Pipe 28,389.79; Water Treatment 21,894.51; Meter 1,831.31; Water Reclamation 20,617.49; Pump 9,377.25.

Roll call vote to approve, all present voting aye with City Council Member Fouberg abstaining on payment to Dacotah Bank, motion carried.

### **CITY MANAGER'S REPORT**

City Manager Robin Bobzien introduced Ken Hubbart as the new Community Development Director effective October 23, 2023. Bobzien stated the City will be conducting

annual levee inspection with the Corps of Engineers on October 24, 2023. City Engineer Stuart Nelson stated that traffic signal installation at Brown County 19 and Eighth Avenue is installed but awaiting installation of 10 feet of wire to provide signal with primary power.

**ADJOURNMENT**

There being no further business, motion by Johnson, second by Ronayne to adjourn the meeting. Voice vote to adjourn, all present voting aye, motion carried. The meeting adjourned at 6:00 p.m.

Prepared by Amanda Kamphuis for the Finance Office. /s/ Jordan McQuillen, Finance Officer