

**2010 Legal and Public Notices**

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**CHAMBER OF THE BOARD OF CITY COMMISSIONERS YANKTON, SOUTH DAKOTA OCTOBER 13, 2014**

Regular meeting of the Board of City Commissioners of the City of Yankton was called to order by Mayor Carda.  
 Roll Call: Present: Commissioners Akland, Bllaalid, Ferdig, Gross, Hoffner, Knoff, Sommer, and Woerner. City Attorney Den Herder and City Manager Nelson were also present. Absent: None. Quorum present.

Action 14-253  
 Moved by Commissioner Gross, seconded by Commissioner Bllaalid, to approve the Minutes of the regular meeting of September 22, 2014. Roll Call: All members present voting "Aye;" voting "Nay:" None. Motion adopted.

Action 14-254  
 Moved by Commissioner Akland, seconded by Commissioner Sommer, that the Schedule of Bills be approved and warrants be issued. ACS Government Inf Service-Maint Program Support-\$1,768.91; Allegiant Emergency Svcs Inc-SCBA Straps-\$73.00; American Gutter Systems-Repairs-\$888.42; Bartlett & West Inc-Professional Services-\$47,517.10; Benders Sewer & Drain-Repairs-\$4,619.00; Bierschbach Equip & Supply-Cylinder-\$40.83; Binder/Tim-Officer Stipend-\$25.00; Blackstar Inc-Road Salt-\$2,829.23; Bomgaars Inc-Shop Towels-\$393.30; Brown & Saenger-Doorknocker Notices-\$190.00; Cedar Knox Public Power Dist-Elect-Sept-3 1, 2 8 5 . 6 0 ; Centurylink-Phone-Sept-\$1,656.91; Chamber of Commerce-Employee Recognition-\$100.00; Chesterman Company-Pop-\$818.32; City of Sioux Falls-Test-\$29.00; City of Vermillion-Jt Power Cash Trans-\$23,304.80; City of Yankton-Central Garage-Rubbish-\$97.50; City of Yankton-City Hall-Garbage-\$12.00; City of Yankton-Parks-Landfill Charges-\$229.20; City of Yankton-Police-Landfill Charges-\$12.00; City of Yankton-Solid Waste-Compacted Garbage-\$10,491.60; City Utilities-Water-W Charges-\$14,694.93; Cody's Lawn Service-Mowing-\$220.00; Concrete Material-Asphalt-\$15,034.25; Conkling Dist-Beer-\$1,898.00; Cornhusker Intl Truck Inc-Filters-Wipers-Blades-\$590.32; CO2 Systems Inc-Regulator-\$385.00; Creative Forms & Concepts-AP Checks-\$307.95; Credit Collection Service Inc-UT Collection-August-\$269.13; Dakota Beverage Co Inc-Beer-\$1,532.95; Dakota Supply Group-Repair Parts-\$1,062.00; Danko Emergency Equipment-Smoke Fluid-\$25.00; Dept of Corrections-DOC Work Program-\$2,173.88; Dept of Revenue-Tests-\$1,393.00; Detco-Supplies-\$396.00; Dex Media East-Phone Book-\$28.46; Drain Masters-Drain Cleaning-\$95.40; Duane's RV Repair-Repair AC-\$551.27; Earthgrains Company-Entre-\$272.18; Ethanol Products LLC-Carbon Dioxide-\$915.68; Falkenberg Construction-Tree Trimming-\$950.00; Fedex-Postage-\$23.56; Feimer Construction-Mulberry Street-\$316,707.11; Flannery/Kirt-Officer Stipend-\$25.00; Footjop-Rainsuit-\$163.59; Fox Run Golf Course-Employee BBQ-\$872.00; Freedom Valu Center Inc-Car Wash-\$87.50; Frick/Adam-Officer Stipend-\$25.00; Frick/Brian-Officer Stipend-\$50.00; Garvey/Erica-Reimbursement-\$45.00; Gary's Repair-Towing-\$160.00; Geotek Eng & Testing Serv Inc-Testing Services-\$660.00; Gerstner Oil Co-AV Gas-\$85,967.25; Girtton Adams Company-Repairs-\$190.00; Gramps-Fuel-\$1,173.60; Graymont Capital Inc-Lime-\$12,721.38; Hawkins Inc-Chemicals-\$3,597.54; HD Supply Waterworks Ltd-Supplies-\$940.40; Hedahl's Parts Plus-Filters-\$507.74; HyVee-DOC Work Program-\$20.00; Inland Truck Parts Co-Brake Kit-\$27.20; J & H Care & Cleaning Company-Janitorial Services-\$2,637.00; Jebro Inc-Liquid Asphalt-\$58,174.07; Johnson Eng Co Inc-Surveying Services-\$6,400.00; Johnson/Rebecca-Reimbursement-\$100.00; Kadmas Lee & Jackson Inc-Engineering Services-\$7,689.85; Klein's Tree Service-Tree Removal-\$900.00; Knology Inc-dba WOW-Phone-Sept-\$2,558.72; Knology Inc-dba WOW-Internet Services-\$841.40; Law/Barb-Replace Belts-\$15.00; Lewis & Clark BHS-Title V Flow Thru-\$468.12; Lewis & Clark Ford-Repairs-\$269.94; Locators & Supplies Inc-Blades-\$328.87; Long's Propane Inc-Propane-\$79.50; Lyle Signs Inc-Signs-\$1,682.70; Marks Machinery-Mower-\$8,439.01; Masonry Components Inc-Morgan Park Trail Const-\$16,125.00; McGrath North Mullin & Kratz-Professional Services-\$609.00; McLauri Flannery Eng Inc-4th St Recons-\$36,043.00; McLeods Printing-Utility Bills-\$1,867.32; MidAmerican Energy-Fuel-Sept-\$2,904.66; MidAmerican Energy-Fuel-Sept-\$675.28; Midwest Alarm Company Inc-Fire Alarm Monitoring-\$150.00; Midwest Tape-Audios-\$499.86; Midwest Turf & Irrigation-Mower-\$56,472.79; Moser/Brad-Officer Stipend-\$25.00; Motorola-Pager Repairs-\$ 2 3 4 . 0 0 ; Munyer/Jeanette-Refund-\$19.99; Nelson/Ehrin-Mowing-\$625.00; Northern Truck Equipment Corp-Steel Walking Trailer-\$65,287.00; Northwestern Energy-Elect-Sept-\$60,410.88; Olson's Pest Technicians Inc-Pest Control-\$69.00; Pied Piper Flowers-Memorial Flowers-\$36.95; Pilger Sand and Gravel Inc-Sand-\$1,404.90; Ping-Golf Bags-\$191.08; Press Dakota Mstar Solutions-Classified Ad-\$5,233.84;

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Printing Specialists-Printing-\$666.45; Pro Auto-Towing-\$345.00; R&R Products Inc-Repairs-\$690.02; Racom Corporation-Radio Access-\$1,336.80; RDG Planning & Design-Meridian Plaza Design-\$3,540.64; Regional Technical Education-CDBG Grant-\$14,433.34; Register of Deeds-File Deed-\$66.50; Reinhart Foods Inc-Entree-\$2,365.62; Rettig/Kari-Returned Item-\$14.99; Rohde/Levi-CDL Reimbursement-\$20.00; Rothenberger/Monty-Boot Reimbursement-\$90.09; Sanitation Products Inc-Part-\$45.75; SDML-Registration-\$100.00; Sherwin Williams Co-Stain-\$37.99; Simplex Grinnell-Fire Alarm Inspection-\$1,071.00; Sioux City Foundry Co-Parts-\$2,442.41; Sioux Equipment Company Inc-Annual Inspection-\$2,626.14; South Dakota Eng Society-Conference Fee-\$85.00; South Dakota Golf Assn-Handicap Fees-\$820.00; Terry's Welding Service-Repairs-\$469.20; Thomson Reuters-West-Local Govt Law-\$435.00; TRE Environmental Strategies-Toxicity Test-\$950.00; Truck Trailer Sales Inc-Inspection And Repairs-\$2,641.80; Trugreen-Lawn Treatment-\$95.40; Turfwerks-Supplies-\$396.14; US Post Office-Util-Utility Postage-Aug-\$1,500.00; United Parcel Service Inc-Postage-Sept-\$129.66; United States Postal Service-Postage Meter-Sept-\$760.00; Valley Aug Supply Inc-Lime Removal-\$4,564.84; Vogel Paint Inc-Paint-\$480.45; Vogt's Uniform-Repairs-\$14.00; Wage Works-Flex Service Fee-Aug-\$105.00; Walt's Homestly Foods Inc-Entree-\$114.32; Water & Env Eng Research-Ctr Sample Analysis-\$100.00; Wellf Construction Corp-Plant 2 Upgrades-\$70,517.45; Western Office Products-Paper-\$7,362.50; Wholesale Supply Inc-Candy-\$1,136.65; Williams & Company PC-Audit-\$2,522.87; Woehl/Toby-Officer Stipend-\$25.00; Woods Fuller Shultz & Smith PC-Professional Services-\$2,277.50; Xerox Corporation-Copier Lease-\$620.04; Xerox Corporation-Copier Lease-\$2,984.99; Yaggie's Inc-Lawn Mix-\$645.15; Yankton Area Prog Growth-Meeting-\$30.00; Yankton County Auditor-3rd Qtr-City Share-\$9,813.41; Yankton County-Treasurer Taxes-\$722.86; Yankton Janitor Supply Inc-Supplies-\$269.38; Yankton Medical Clinic-Random Drug/Alcohol Test-\$38.00; A & B Business Inc-Printer Maintenance-\$378.54; Ace Hardware-Small Tools-\$776.73; Acushnet-Golf Balls-\$11,136.35; Ads LLC-Repair-\$2,491.38; Amazon Mktpace Pmts-Scanner-\$ 3 8 9 . 7 9 ; Amazon.Com-Legos-\$348.83; American-Conference-\$433.20; Appera-Towels-\$388.58; Arbys-Travel Expense-\$8.44; Associated Supply-Impeller for SAC Pool-\$3,109.01; AT&T-Bill Payment-M o b i l i t y - \$ 3 2 1 . 6 8 ; Baker-Taylor-Books-\$3,580.24; Best Western Hotels - Lodging-\$997.46; Bolter Printing-Office Supplies-\$31.50; Bomgaars- Casters/Floor Dry-\$2,170.40; Broadway Chrysler Dodge-Truck Repairs-\$590.48; Brodart Supplies-Computer Trays-\$512.01; Brownells Inc-Ballistic Gelatin-\$130.95; Buhls Cleaners Llc-Mop/Rags-\$26.62; Burger King-Travel Expense-\$8.66; Burger King-Travel Expense-\$5.11; Butler Machinery-Fuel Filters-\$45.99; Carolina Ale House-Conference-\$14.78; Caseys Gen Store-Meeting Supplies-\$14.15; Center Point-Books-\$127.02; Clarks Rental-Custom C Rentals-\$125.00; Cleveland Golf-Golf Clubs-\$7,545.79; The New Yorker Magazine-Subscription-\$74.19; Concrete Materials-Erosion Control-\$126.72; Cox Auto Supply Bearings-\$668.41; Crescent Electric-B a l l a s t s - \$ 7 2 8 . 7 3 ; Culvers-Travel Expense-\$6.09; Dairy Queen-Staff Appreciation-\$30.00; Dayhuff Enterprises-Janitorial Supplies-\$814.69; Delta-Conference-\$641.20; Detco Industries-Repair-\$836.72; Dianas Greenhouse-Trees-\$743.82; Dunhams Sports-Medicine Ball-\$34.99; DX Service-Solar Salt-\$1,093.31; ES Babcock & Sons-Laboratory-\$1,425.00; Echo Electric-Supply Park Supplies-\$81.81; Eco Water-Rent-\$108.00; Ehresmann Engineering-Supplies-\$102.36; Elite K-9 Inc-Cage For New Vehicle-\$2,999.95; Enso Asian Bistro-Conference-\$32.33; Epsom Store-Office Supplies-\$46.98; Erickson Trucks-Part Loader Rim-\$700.00; FWP Old Cars Price Magazine-Subscription-\$28.98; Fastenal Company-Bolts-\$100.80; Fred Haar Company-Mower Parts-\$695.45; Gaylord Bros Inc-Shelving Carts-\$676.88; GJP Inc-Magazine Subscription-\$12.99; Grafix Shoppe-New Vehicle Graphics-\$584.73; Graham Tire-Tires-\$2,972.76; Hach Company-Meter-\$3,841.42; Hedahls-Battery-\$1,258.47; Hilton Hotels-Conference-\$702.90; HyVee Gas-Fuel-\$35.40; HyVee-Vending Concessions-\$782.41; IACP-Registration-\$350.00; In H2 Golf Company-Club Repairs-\$1,041.97; In Nursery Wholesaler-Plants-\$685.64; Independence Waste-Porta Potty-\$452.85; International Assoc-Membership-\$234.00; Intoximeters-PBT Tubes-\$56.00; JJ Benjins-Embroidery Uniforms-\$1,097.75; James Valley Nursery-Trees-\$275.58; Janway Company-USA Inc-Book Bags-\$385.00; JCL Solutions-Cleaning Supplies-\$1,191.90; Kaiser Refrigeration-Supplies-\$560.40; Kmart-Trash Bags/Tissue-\$81.32; Koletzky Implement Inc-Filters-\$722.48; Library Journals Magazine-Subscription-\$157.99; Pizza Ranch-Travel Expense-\$39.38; Marks Machinery Inc-Cutting Edge-\$1,237.95; MAS Modern Marketing-Promotional Items-\$485.27; McLeods Printing-

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Print Citations-\$216.67; Mead Lumber-Concrete Sealant-\$353.29; Med-Vet-Sharps Containers-\$447.00; Menards-Refrigerator-\$2,454.39; Midwest Turf-Mower Parts-\$145.24; MSFT-Online Software-\$79.50; Muti Mitt-Mutti Mitts-\$1,347.19; NADA Used Car Guide-Subscription-\$105.00; National League of Cities-Conference-\$2,535.00; NHM-Natrl History Mag-Magazine Subscription-\$28.00; Nike Golf-Golf Equipment-\$949.69; Nordstrom S Auto-Door Assembly-\$450.00; Northtown Automotive-Radiator-\$853.31; Northwest Electric LLC-Sac Pool Impellor Inst-\$578.58; Officesupply.Com-3-Hole Punch Paper-\$128.34; Oriental Trading Co-Program Supplies-\$85.59; Paypal-Criminalist New Vehicle K-9 System-\$779.45; Paypal-Moss-pointgo-Touchscreen Repair-\$79.95; Paypal-Shoplet Com-Divider Tabs-\$28.50; Paypal-Yankton Area Training-\$600.00; Phipps Bistro-Uptown Conference-\$14.50; Postage Refill-Mailstation Postage-\$100.00; Prairie Pumper-Fuel-\$52.00; Prairie Stop-Fuel-\$58.07; Printsource Network-Building Permit Forms-\$102.00; Quill Corporation-Office Supplies-\$64.09; Random House Inc-Audio Books-\$176.25; Riverside Hydraulics-Hose & Fittings-\$1,479.27; RME-The Golfworks-Club Repairs-\$784.07; ROD-Organic Gardening Magazine-Subscription-\$15.94; Rons Auto Glass Inc-Glass Cleaner-\$7.50; Royal Sport Shop-Engraving-\$129.00; Sanitation Products-Center Cap-\$40.16; Sherwin Williams-Paint-\$37.99; Sioux Falls Two Way Radio-Repair-\$474.49; Sioux Lawn Turf-Chemicals-\$698.63; Sirchie Finger Print-Office Supplies-\$25.50; South Dakota Historical-Books-\$39.92; South Dakota L00 Of 00-SDLA Conference-\$815.00; South Dakota Magazine-Magazine Subscription-\$46.00; Specialty Store Serv-Office Supplies-\$121.96; Superior Tech Products-Chemicals-\$3,624.00; Tachikara USA-Volleyball League-\$327.92; Tessman Company-Sioux Chemicals-\$643.28; TFS-Coleparmerinstrmnt-Electrode-\$237.50; TFS-Fisher Sci Chi Lab-Towels-\$135.43; The Landing Meeting-\$49.67; The Wooden Spoon-Staff Appreciation-\$24.00; Thomson West-TCB-Books-\$419.75; Tifosi Optics-Merchand i s e - \$ 3 9 2 . 0 5 ; TMA-Tires-\$1,714.19; Tractor-Supply Co-Pound Supplies-\$76.25; TRK Hosting-Web Hosting-\$68.85; Truck Trailer Sales-Hook/Pin-\$277.20; Uline Ship Supplies-Hand Sanitizer-\$146.46; Ultra Max-Test Ammunition-\$58.00; United-Meeting-\$1,052.10; UPS-Postage-\$49.08; USA Blue Book-6" Coupling-\$4,139.26; USPS-Supplies-\$3.22; Vanderhul Moving A c c e p t e - \$ 1 3 0 . 0 0 ; Vessco-Relay-\$261.67; Viddler Inc-Video Hosting-\$25.00; VWR International Inc-Lab Supplies-\$1,777.25; Wal-Mart-VDS-\$322.60; Perkins-Travel Expense-\$64.17; Wythe-Membership-\$64.00; West Music Catalog-Program Supplies-\$95.40; Western Office Product-Office Supplies-\$273.56; Wheel Inn-Classes-\$42.16; Wholesale Supply Co-Shop Supplies-\$104.30; WM Supercenter-Office Supplies-\$394.51; Workplace Pro Recreation - S u p p l i e s - \$ 1 2 5 . 5 5 ; WSG-Wilson Sptg Gds-Golf E q u i p m e n t - \$ 9 1 6 . 2 1 ; WWW.Newegg.Com-Dvd Media-\$12.99; Yankton Medical Clinic-Exams-\$823.00; Yankton Nurseries LLC-Tree Supplies-\$212.93; Yankton Winnelson Co-Supplies-\$1,244.81; AFSCME Council 65-Employee Deduction-\$1,200.00; American Family Life Corp-Cancer & ICU Premiums-\$6,286.10; Assurant Employee Benefits-Vision Ins-October-\$400.52; Brandt/Todd-Training Registration-\$80.00; Connections Inc-EAP Insurance-September-\$273.00; Delta Dental-Dental Ins-October-\$7,106.00; Dept of Social Services-Employee Deduction-\$1,277.50; Feimer Construction-Douglas Ave 2-4th-\$144,391.45; First Natl Bank South Dakota-Employee Deduction-\$2,472.30; ICMA Retirement Trust #457-Employee Deduction-\$3,330.94; Municipal League SD-Registration-\$180.00; Nelson/Amy-Conference-\$200.00; Retirement SD-SD Retirement-Sept-\$62,307.57; SD Public Assurance Alliance-Additional Insurance-\$736.05; SDSRP-Employee Deduction-\$2,330.00; SDWWA-Registration-\$410.00; Sport Games-Sport Court Deposit-\$25,000.00; Summit Activity Center-Employee Deductions-\$884.20; United-Way-Employee Deductions-\$20.00; Wellmark Blue Cross-Health Ins-October-\$86,245.05. Roll Call: All members present voting "Aye;" voting "Nay:" None. Motion adopted.

SALARIES-SEPTEMBER 2014: Administration-\$30,445.35; Finance-\$26,781.75; Community Development-\$17,563.00; Police-\$134,845.40; Fire-\$10,391.68; Engineering-\$37,743.61; Street-\$40,181.58; Traffic Control-\$1,635.68; Library-\$25,044.29; Parks/Sac-\$49,925.17; Marne Creek-\$3,310.41; Water-\$36,974.94; Wastewater-\$31,697.04; Cemetery-\$3,208.92; Solid Waste-\$18,352.95; Landfill-\$13,704.26; Golf Course-\$21,042.86; Central Garage-\$6,332.40.

PERSONNEL CHANGES & NEW HIRES: New Hires: Saladin Smith-\$7.25 hr.-Rec. Division Wage Increase: Amber Edwards-\$7.75 hr.-Rec. Division Status Change: Chris Bornitz-\$1572.19 bi-wk.-from Cemetery

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Maintenance to Sr. Grounds Maint. Worker; Susan Lippert-\$1138.97 bi-wk. from PT Library Circulation Asst. to FT Library Assistant; Dylan Moderegger-\$7.50 hr.-from Park Maintenance to Rec. Weight Room Supervisor.

Mayor Carda read proclamations declaring October 23, 2014, as Lights on Afterschool Day, and October 28, 2014, as Red Ribbon Rally Day as a part of Red Ribbon Week.

City Manager Nelson submitted a written report giving an update on community projects and items of interest.

Action 14-255  
 Moved by Commissioner Bllaalid, seconded by Commissioner Gross, that the following items on the consent agenda be approved.  
 1. Establishing public hearing for sale of alcoholic beverages  
 Establish October 27, 2014, as the date for the public hearing on the request for a Special RETAIL (on-sale) Wine dealers License for one day, November 7, 2014, from Lewis & Clark Theatre Company (Tara Gill, President), 328 Walnut, Yankton, SD 57078  
 2. Assessment Roll; Noxious Vegetation and Abatement, set public hearing  
 Consideration of Memorandum 14-176 and Resolution 14-44, recommending that November 10, 2014, be established as the date for a public hearing on the special assessment roll for removal of noxious vegetation and abatement  
 Roll Call: All members present voting "Aye;" voting "Nay:" None. Motion adopted.

Action 14-256  
 This was the time and place for the public hearing on the application for a New Retail (on-off sale) Malt Beverage License for July 1, 2014, to June 30, 2015, from Tank Ming Sze d/b/a Tokyo Japanese Cuisine, 2007 Broadway, Suite J, Yankton, South Dakota. (Memorandum 14-177) No one was present to speak for or against approval of the license application. Moved by Commissioner Akland, seconded by Commissioner Bllaalid, to approve the license.  
 Roll Call: All members present voting "Aye;" voting "Nay:" None. Motion adopted.

Action 14-257  
 This was the time and place for the public hearing on the application for a New Retail (on-off sale) Wine License for January 1, 2014, to December 31, 2014, Tank Ming Sze d/b/a Tokyo Japanese Cuisine, 2007 Broadway, Suite J, Yankton, South Dakota. (Memorandum 14-178) No one was present to speak for or against approval of the license application. Moved by Commissioner Bllaalid, seconded by Commissioner Gross, to approve the license.  
 Roll Call: All members present voting "Aye;" voting "Nay:" None. Motion adopted.

Action 14-258  
 Moved by Commissioner Akland, seconded by Commissioner Sommer, to approve the agreement between the City of Yankton and Yankton School District for a permanent part-time School Resource Officer and to approve a supplement of \$30,000.00 be made to the Yankton Police Department Budget for this program. (Memorandum 14-183)  
 Roll Call: All members present voting "Aye;" voting "Nay:" None. Motion adopted.

Action 14-259  
 Moved by Commissioner Bllaalid, seconded by Commissioner Gross, to adopt Resolution 14-42. (Memorandum 14-182)

**RESOLUTION 14-42**

WHEREAS, at the September 18, 2014, Joint Powers Advisory Board meeting in Yankton, the board voted to recommend that each city increase the tipping fees at each municipality's respective facility; and

WHEREAS, it has been 3 years (October, 2011) since an increase in tipping fees was last enacted and with the construction and increased debt service, the cost to operate per ton has exceeded the revenue per ton currently charged; and

WHEREAS, the Joint Powers member cities desire to provide solid waste services on a self-sustaining user fee basis;

NOW, THEREFORE, BE IT RESOLVED by the City Commission of Yankton, South Dakota, that the following Joint Powers Landfill and Recycling tipping rates are hereby adopted, effective for December 1, 2014

| Proposed | Per ton                               | Current | Minimum         |
|----------|---------------------------------------|---------|-----------------|
|          | 1. Garbage for Licensed Haulers       | \$45.00 | \$40.00 \$12.00 |
|          | 2. Garbage for Un-Licensed Haulers    | \$50.00 | \$43.00 \$12.00 |
|          | 3. Garbage / Out of County / Licensed | \$54.00 | \$47.00 \$12.00 |
|          | 4. Garbage / Construction Debris      | \$52.00 | \$45.00 \$12.00 |

The City of Yankton reserves the right to impose additional fees on loads or items deemed to be not in keeping with the above rates. This fee will be set in accordance with the final recycling cost, transportation costs and operations cost affected.

Roll Call: All members present voting "Aye;" voting "Nay:" None.

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Motion adopted.

Action 14-260  
 Moved by Commissioner Bllaalid, seconded by Commissioner Sommer, to adopt Resolution 14-43. (Memorandum 14-181)

**RESOLUTION 14-43**

**Resolution Giving Approval to Certain Drinking Water Facilities Improvements; Giving Approval to the Issuance and Sale of a Revenue Bond to Finance, Directly or Indirectly, the Improvements to the Facilities; Approving the Form of the Loan Agreement and the Revenue Bond and Pledging Project Revenues and Collateral to Secure the Payment of the Revenue Bond; and Creating Special Funds and Accounts for the Administration of Funds for Operation of the System and Retirement of the Revenue Bond and Providing for a Segregated Special Charge or Surcharge for the Payment of the Bonds.**

WHEREAS, one of the purposes of SDCL Chapter 9-40 (the "Act") as found and determined by the Legislature is to provide for financing the acquisition, maintenance, operation, extension or improvement of any system or part of any system of waterworks for the purpose of providing water and water supply for domestic, municipal, together with extensions, additions, and necessary appurtenances; and,

WHEREAS, a municipality is authorized by Section 6 of the Act to issue revenue bonds to defray the cost of extensions, additions and improvements to any utility previously owned without pledging its credit and is authorized to pledge the net income or revenues from the Project in accordance with Section 15 of the Act; and,

WHEREAS, the City of Yankton (the "City") currently operates a water distribution system to supply municipal, industrial and domestic water to its inhabitants and has determined that improvements to the drinking water facilities are necessary for the conduct of its governmental programs and qualifies as an improvement, extension or addition to its drinking water system; and,

WHEREAS, the City has determined to issue its revenue bonds to finance the improvements to its system of waterworks for the purpose of providing water and water supply for domestic, municipal, and industrial purposes (the "System") and has applied to the South Dakota Conservancy District (the "District") for a Drinking Water State Revolving Fund Loan to finance the improvements;

WHEREAS, the City shall adopt special rates or surcharges for the improvements to be pledged, segregated and used for the payment of the Bonds.

NOW THEREFORE BE IT RESOLVED by the City of Yankton as follows:

SECTION 1. Definitions. The terms when used in this Resolution shall have the following meanings set forth in this section unless the context clearly requires otherwise. All terms used in this Resolution which are not defined herein shall have the meanings assigned to them in the Loan Agreement unless the context clearly otherwise requires. "Act" means South Dakota Codified Laws Chapter 9-40. "Loan" means the Loan made by the South Dakota Conservancy District to the City pursuant to the terms of the Loan Agreement and as evidenced by the Revenue Bond. "Project" means the City of Yankton Water Supply Project. "Revenue Bond" means the revenue bond or bonds issued the date of the Loan Agreement by the City to the South Dakota Conservancy District to evidence the City's obligation to repay the principal of and pay interest and Administrative Expense Surcharge on the Loan. "System" means the City's system of waterworks used for the purpose of providing water and water supply for domestic, municipal, and industrial purposes.

SECTION 2. Declaration of Necessity and Findings.

2.1. Declaration of Necessity. The City hereby declares and determines it is necessary to construct and finance improvements to its drinking water facilities within its System described as the Project.

2.2. Findings. The City does hereby find as follows:

2.2.1. The City hereby expressly finds that if the Project is not undertaken, the System will pose a health hazard to the City and its inhabitants, and will make the City unable to comply with state and federal law.

2.2.2. Because of the functional interdependence of the various portions of the System, the fact that the System may not lawfully operate unless it complies with State and federal laws, including SDCL Chapter 34A-3A, and the federal Safe Drinking Water Act, and the nature of the improvements financed, the City hereby finds and determines that the Project will substantially benefit the entire System and all of its users within the meaning of Sections 15 and 17 of the Act.

2.2.3. The City hereby determines and finds that for the purposes of the Act, including, in particular, Sections 15 and 17 of the Act, that only the net income from the Project financed by the Revenue Bond be pledged for its payment.

SECTION 3. Authorization of Loan, Pledge of Revenue and Security.

3.1. Authorization of Loan. The City hereby determines and declares it necessary to finance up to \$12,850,000 of the costs of the Project through the issuance of bonds payable from the revenue of the Project and other funds secured

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by the City. The City hereby determines that because the Revenue Bond is issued in connection with a financing agreement described in SDCL 46A-1-49, pursuant to Section 15 of the Act no election is required to issue the Revenue Bond. 3.2. Approval of Loan Agreement. The execution and delivery of the Revenue Obligation Loan Agreement (the "Loan Agreement"), the form of which is on file with the City Finance Officer (the "Finance Officer") and open to public inspection, between the City as Borrower and the District, is hereby in all respects authorized, approved and confirmed, and the Mayor and Finance Officer are hereby authorized and directed to execute and deliver the Loan Agreement in the form and content attached hereto, with such changes as the Attorney for the City deems appropriate and approves, for and on behalf of the City. The Mayor and Finance Officer are hereby further authorized and directed to implement and perform the covenants and obligations of the City set forth in or required by the Loan Agreement. The Loan Agreement herein referred to and made a part of this Resolution is on file in the office of the Finance Officer and is available for inspection by any interested party.

3.3. Approval of Revenue Bond. The issuance of a revenue bond in a principal amount not to exceed \$12,850,000 as determined according to the Loan Agreement in the form and content set forth in Appendix B attached to the form of Loan Agreement (the "Revenue Bond") shall be and the same is, in all respects, hereby authorized, approved, and confirmed and the Mayor, Finance Officer, and other appropriate officials shall be and are hereby authorized and directed to execute and seal the Revenue Bond and deliver the Revenue Bond to the District, for and on behalf of the City, upon receipt of the purchase price, and to use the proceeds thereof in the manner set forth in the Loan Agreement. The Mayor and Finance Officer are hereby authorized to approve the final terms of the Revenue Bond and their execution and delivery thereof shall evidence that approval. The Revenue Bond shall be issued under the authority of SDCL Chapter 9-40 and SDCL Chapter 6-8B, and the provisions of the Act are hereby expressly incorporated herein as provided in Section 19 of the Act.

3.4. Pledge of Revenues. The Revenue Bond together with the interest thereon, shall not constitute a charge against the City's general credit or taxing power, but shall be a limited obligation of the City payable solely out of the Project Debt Service Account, which payments, revenues and receipts are hereby and in the Loan Agreement pledged and assigned for the equal and ratable payments of the Revenue Bond and shall be used for no other purpose than to pay the principal of and interest on the Revenue Bond, except as may be otherwise expressly authorized in the Loan Agreement (including the purpose of securing Additional Bonds issued as permitted by the terms thereof). The City covenants and agrees to charge rates for all services from the Project or establish special charges or surcharges which will be sufficient to provide for the payments upon the Revenue Bond issued hereunder as and when the same become due, and as may be necessary to provide for the operation and maintenance and repairs of the Project, and depreciation, and the Rate Resolution shall be revised from time to time so as to produce these amounts. The City hereby reserves the right to determine on a periodic basis the appropriate allocation of operation and maintenance expenses, depreciation, repair and reserves associated with the facilities financed with the Revenue Bond, provided that such determination of allocable operation and maintenance expenses shall in no event abrogate, abridge or otherwise contravene the covenant of the City set forth in this Section 3 or any other covenant or agreement in the Loan Agreement.

SECTION 4. Special Charge or Surcharge for Revenue Bond. The City does hereby create the Revenue Bond Special-Charge District (the "Surcharge District") which shall include all users which benefit from the Project. There shall be charged a special charge or surcharge pursuant to Section 15 of the Act for the services provided by Project financed by the Revenue Bond. The special charge or surcharge shall be segregated from other revenues of the System and shall be used for the payment of the Revenue Bond. The special charge or surcharge shall remain in effect until such time as the Revenue Bond is defeased or paid in full.

4.2. Initial Surcharge. The initial special charge or surcharge shall be set by resolution and collected at the same time as other charges of the utility. All users within the Surcharge District which benefit from the Project, current and future, shall be charged the special charge or surcharge. The special charge or surcharge is found to be equitable for the services provided by the Project. The special charge or surcharge shall begin at such time as will produce sufficient revenue to