

**MINUTES
IPSWICH CITY COUNCIL MEETING
IPSWICH CITY HALL
MONDAY, JULY 20, 2015**

The Ipswich City Council met in regular session at 7:00 p.m., Monday, July 20, 2015. Members present were Mayor LeRoy Kilber, Mike Hammrich, Les Braun, Barb Gillick, Mike Steen, Susie Treftz and David Bauer. Also present were Sarah Perrion, Corinne Jameson, Brian Schlosser, Matt Braun and 4 community members.

Call the meeting to order: Mayor Kilber called the meeting to order at 7:00 p.m. and led the **Pledge of Allegiance**.

Motions: All motions were approved unanimously unless otherwise indicated.

Approval of the Regular Meeting Minutes of July 6, 2015: Steen/Braun to approve the Regular Meeting Minutes of July 6, 2015.

Building Permits for Council approval: None

Pre-Approved permits under \$10,000.00: Meredith Humphrey – fence; Matt & Sarita Pollock – storage shed; Ed Kraft – storage shed; Jesse Knittel - shingles; Amy Jaenisch – shingles; Chris Sylte – playhouse; Split Rock Country Club – sand storage box; Jerome Schumacher – new driveway and garage addition

Public Comments

*(Public Comments will offer the opportunity for anyone not listed on the agenda to speak to the council. Speaking time will be limited to 3 minutes. Questions will be researched, if necessary. **No action will be taken on questions or items not on the agenda.**)*

Participants & Topics included: Corinne Jameson – 11th Street and 2nd Avenue Projects
Tony Simon – Rubble Site

Old Business:

Marcus P. Beebe Memorial Library: After discussion, the council will ask for a contract stating the City will pay 50% when the project is 50% completed and the final 50% when the project is totally completed.

Open Bids for Surplus Items:

1991 Ford Ambulance: Three bids were received. Hammrich/Bauer to reject all bids.

2001 Dodge 3500: Two bids were received. Braun/Bauer to accept Jim Lacher's bid of \$1,300.

1972 Terex Loader: One bid was received. Gillick/Treftz to accept Jim Lacher's bid of \$2,000.

500 gallon Propane Tank: Three bids were received. Hammrich/Gillick to accept Shawn Goehring's bid of \$525.

1975 Dodge Dump Truck: Two bids were received. Steen/Braun to accept Jim Lacher's bid of \$450.

Stryker Ambulance Cot: No bids were received.

Public Works Report:

Dione Lane: Council discussed finalizing the project.

Granite Chips (Street Repairs after Sewer Project): Hammrich/Gillick to purchase 700 ton of granite chips from Oban Construction for \$20,503.00.

Report: Braun discussed street work, painting, fence and sewer backup at softball field, pot holes, water break, herbicide spill, new dump truck and Rubble Site.

Office Report:

May and June Financial Reports: Expenditure & Revenue Guideline, Checking, Savings and Construction Account Reconciliation and Sales Tax & Municipal Tax Comparison: Treftz/Gillick to approve the reports.

Resolution 2015-08; Loan Resolution – 11th Street and 2nd Avenue Projects: Hammrich/Treftz to approve Resolution 2015-08.

Position 5

USDA
Form RD 1942-47

(Rev. 12-97)

2015-08
(Public Bodies)

FORM APPROVED

OMB NO. 0575-0

A RESOLUTION OF THE CITY COUNCIL OF THE IPSWICH, CITY OF 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 FY15 STREET IMPROVEMENTS CF FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the

Ipswich, City of
(Public Body)

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of 653,000.00

pursuant to the provisions of

; and

WHEREAS, the Association intends to obtain assistance from the Rural Housing Service, Rural Business - Cooperative Service, Rural Utilities Service, or their successor Agencies with 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 legal 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 contract or 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 the Government. No free service or use of the facility will be permitted.

According to the Paperwork Reduction Act of 1995, no persons are 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 0575-0015. 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 and maintained, disbursements from that account may be used when necessary for payments due on the bond if sufficient funds are not otherwise available. With the prior written approval of the Government, funds may be withdrawn for:
 - (a) Paying the cost of repairing or replacing any damage to the facility caused by catastrophe.
 - (b) Repairing or replacing short-lived assets.
 - (c) Making extensions or improvements to the facility.
- 15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain the Government'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 \$ _____

under the terms offered by the Government; that LEROY KILBER AND AMANDA ANGLIN 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 _____ Absent _____.

IN WITNESS WHEREOF, the CITY COUNCIL of the

_____ Ipswich, City of _____ has duly adopted this resolution and caused it

to be executed by the officers below in duplicate on this _____ day of July, 2015 _____

Attest: Amanda Anglin Signed: LeRoy Kilber

Resolution 2015-09; Loan Resolution – Sewer Improvement Project: Steen/Bauer to approve Resolution 2015-09.

Position 5

USDA
Form RD 1942-47

(Rev. 12-97)

2015-09
(Public Bodies)

FORM APPROVED

OMB NO. 0575-00

A RESOLUTION OF THE CITY COUNCIL OF THE IPSWICH, CITY OF 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 SEWER IMPROVEMENTS CF FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the

Ipswich, City of
(Public Body)

(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 SIX HUNDRED FIFTY THOUSAND & 00/100

pursuant to the provisions of (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 SIX HUNDRED FIFTY THOUSAND & 00/100

pursuant to the provisions of ; and

WHEREAS, the Association intends to obtain assistance from the Rural Housing Service, Rural Business - Cooperative Service, Rural Utilities Service, or their successor Agencies with 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 legal 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 contract or 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 the Government. No free service or use of the facility will be permitted.

According to the Paperwork Reduction Act of 1995, no persons are 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 O575-0015. 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 and maintained, disbursements from that account may be used when necessary for payments due on the bond if sufficient funds are not otherwise available. With the prior written approval of the Government, funds may be withdrawn for:
 - (a) Paying the cost of repairing or replacing any damage to the facility caused by catastrophe.
 - (b) Repairing or replacing short-lived assets.
 - (c) Making extensions or improvements to the facility.

Any time funds are disbursed from the reserve account, additional deposits will be required until the reserve account has reached the required funded level.

- 15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain the Government'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 \$ 1,810,000.00

under the terms offered by the Government; that LEROY KILBER AND AMANDA ANGLIN 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 _____ Absent _____.

IN WITNESS WHEREOF, the CITY COUNCIL of the

Ipswich, City of

to be executed by the officers below in duplicate on this
20th day of July, 2015
Attest: Amanda Anglin Signed: LeRoy Kilber

has ~~duly adopted this resolution and caused i~~

Bills for approval:

Bills from Helms & Associates: Tabled.

Monthly Bills: Bauer/Treftz to approve the following bills: A & B Business Solutions, Inc.- \$119.95/office supplies; Amazon-\$230.77/library books; Ameripride Services, Inc- \$107.28/mat/mop exchange; Buffalo Station-\$185.19/fuel; Cole Papers Inc.-\$197.50/soap & soap dispensers for parks; H2, Inc.-\$4,740.61/new air conditioner for library; Hawkins Inc.- \$2,506.11/pool chemicals; Heartland Waste Mgmt.-\$4,312.50/garbage services; Hedahls-\$74.25/shop supplies; James & Kim Kanable-\$100.00/water deposit refund/203 8th Street; Kiefer-\$361.15/lifeguard swimwear/staff shirts; Matheson Tri-Gas Inc.- \$33.35/oxygen cylinders; Menards-\$19.16/park supplies; Meredith Humphrey-\$95.36/reimbursement for pool supplies; Montana-Dakota Utilities-\$4,625.63/utilities all departments; N.W. Blade-\$61.60/swimming pool advertisement; Parkview Nursery-\$3,939.49/city office landscaping; Physio-Control, Inc.-\$3,322.20/annual maintenance agreement for LifePak(2); 446-Praxair Distribution Inc.-\$62.84/shop supplies; SD One Call-\$138.88/fax fees; Sewer Duck-\$365.00/main line camera & cleaning; Share Corporation-\$1,017.00/sewer chemical/chemicals; US Post Office-\$175.00/postcard stamps (5); Vilas Health & Variety-\$17.42/pool supplies; Vosika Fencing-\$1,800.02/ball diamond material

Pre-Approved Bills Since Last Meeting: Administration-\$3,031.12; Streets-\$2,089.26; Sanitation-\$588.92; Ambulance-\$155.33; Pool-\$4,094.39; Parks-\$1,508.25; Water-\$984.77; Sewer-\$1,354.75; SD Retirement System-\$1,863.56/July retirement contributions; Ipswich State Bank-\$3,450.97/July payroll taxes

Adjournment: At 8:00 p.m., Gillick/Steen to adjourn the meeting.

Sarah Perrion, Assistant Finance Officer
City of Ipswich
Publish 7-29