

**REGULAR MEETING OF THE CITY COUNCIL
COUNCIL CHAMBERS, CITY HALL
MITCHELL, SOUTH DAKOTA**

**May 4, 2026
6:00 P.M.**

PRESENT: Marty Barington, Mike Bathke, John Doescher, Tim Goldammer,
Kevin McCardle, Dan Sabers, Jeffrey Smith

ABSENT: Susan Tjarks

PRESIDING: Mayor Jordan Hanson

RECOGNITION:

Mayor Hanson recognized Laurenda Olson for being honored as the Frontline Caregiver of the Year by the South Dakota Association of Healthcare Organizations.

AGENDA:

Moved by Goldammer, seconded by McCardle, to approve the following items on the consent agenda:

- a. City Council Minutes
 1. City Council April 20, 2026
- b. Committee Reports
 1. Planning Commission April 13, 2026 (signed)
 2. Planning Commission April 27, 2026 (unsigned)
- c. Automatic Supplements
 1. General Fund-Fire in the amount of \$5,256.00 from insurance claims
 2. General Fund-Police in the amount of \$764.90 from insurance claims
- d. Raffle Permits
 1. Heels to Mud with the drawing to be held as soon as all of the tickets are sold
 2. Area Community Theatre with the drawing to be held on August 9, 2026
 3. Twin Rivers Old Iron Association with the drawing to be held on September 13, 2026
 4. Purr N' Ruff Rescue with the drawing to be held on June 13, 2026
 5. Arts in the Park with the drawing to be held July 24-26, 2026
 6. Palace City Pedalers with the drawing to be held on August 15, 2026
- e. Special Event Permit Application for Mitchell Public Library Touch-a-Truck Summer Reading Program on Wednesday, June 24, 2026
- f. Special Event Permit Application for Palace City Pre-Sturgis Party on Thursday, August 6, 2026
- g. Special Event Permit Application for Palace City Brewing at the Palace City Pre-Sturgis Party on Thursday, August 6, 2026
- h. Property Tax Abatements for 2025 Taxes Payable in 2026

- i. Change Order #1 increasing the contract amount by \$17,018.42 for Water Distribution Building Project #2026-01 to Visions Construction Group Inc., adjust contract amount to \$2,504,018.42
- j. Set Date 6:00 pm, May 18, 2026 for Special Assessment Hearing for 2026 Sidewalk Project #2026-04
- k. Set Date May 18, 2026 for hearing and action on the application to transfer RL-5763 (on-sale) Retail Liquor License from The Depot Mitchell LLC dba The Depot-Mitchell LLC, 210 South Main Street to The Depot Mitchell LLC dba The Depot-Mitchell LLC, 210 South Main due to the configuration of the license (include the front patio)
- l. Pay Estimates May 4, 2026
 - Pay Estimate #64 in the amount of \$514.20 for Highway 37 Utilities #2021-45 contracted to SPN & Associates
 - Pay Estimate #65 in the amount of \$233.90 for Highway 37 Utilities #2021-45 contracted to SPN & Associates
 - Pay Estimate #39 in the amount of \$90,799.48 for Wastewater Treatment Plant -Phase II #2022-01 contracted to HDR Engineering
 - Pay Estimate #31 in the amount of \$81.00 for 1st/7th & Main Traffic Signals #2022-08 contracted to HR Green
 - Pay Estimate #32 in the amount of \$3,282.55 for 1st/7th & Main Traffic Signals #2022-08 contracted to HR Green
 - Pay Estimate #16 in the amount of \$5,765.00 for East 5th-Burr to Foster #2024-02 contracted to Brosz Engineering
 - Pay Estimate #15 in the amount of \$6,500.00 for North Ohlman-23rd to Kemper #2025-01 contracted to SPN & Associates
 - Pay Estimate #10 in the amount of \$9,285.60 for 1st Avenue-Burr to Foster #2025-06 contracted to SPN & Associates
 - Pay Estimate #2 in the amount of \$2,497.50 for Corn Place Railing & ADA Seating #2025-18 contracted to Ciavarella Design
 - Pay Estimate #8 in the amount of \$5,191.25 for Hitchcock Tennis Courts #2025-34 contracted to SPN & Associates
 - Pay Estimate #1 in the amount of \$14,012.85 for 12th & Rowley Lift Station #2026-14 contracted to SPN & Associates
 - Pay Estimate #1 in the amount of \$1,893.75 for Water Study #2026-26 contracted to SPN & Associates
 - Pay Estimate #2 in the amount of \$5,912.50 for Wastewater Study #2026-27 contracted to SPN & Associates
 - Pay Estimate #5 in the amount of \$40,395.20 for AIP '33 Revenue Producing Hangar contracted to Northern Escrow Inc. (Pro Contracting)
- m. Approve Bills, Payroll, Salary Adjustments and New Employee Hires and Authorize Payment of Recurring and other expenses in advance as approved by the Finance Officer

PAYROLL APRIL 12, 2026 – APRIL 25, 2026: City Council \$3,847.36, Mayor \$1,663.00, City Administrator \$7,030.12, Administrative Boards \$2,566.25, Attorney \$5,885.34, Finance \$15,753.04, Human Resources \$4,834.27, Municipal Building \$5,782.30, Information Technology \$3,627.80, Police \$96,997.42, Traffic \$4,952.96, Fire \$40,541.35, Street \$36,382.43 Public Works

\$28,863.11 Cemetery \$7,751.46, Library \$17,763.73, Recreation & Aquatics \$6,465.54, Recreation Center \$17,704.20, Sports Complexes \$12,432.02, Parks \$16,718.31, Supervision \$4,641.65, E911 \$26,474.14, Palace Transit \$31,695.72, JVCC \$2,214.95, Nutrition \$4,493.42, Airport \$2,804.44, Water Distribution \$17,587.92, Sewer \$16,976.95, Recycling Program \$7,924.14, Waste Collection \$7,212.34, Landfill \$12,732.21, Corn Palace \$19,344.36 Golf Course \$7,045.92, Emergency Medical Services \$50,400.83

NEW HIRES:

CADWELL CONCESSIONS: Abbi Schnabel-\$15.27

CEMETERY: Terence Heisinger-\$15.58, Dean Strand-\$15.58

CORN PALACE: Jayden Lange-\$12.32

EMS: Madison Arnold-\$26.322

GOLF: Bailey Berg-\$14.40, Dennis Bruske-\$13.85, Dennis Geidel-\$13.85

PARKS: Fabian Alvarez-\$13.31, Patrick Conley-\$14.11, Arnold Eldeen-\$15.88, Ronald Jirsa-\$16.51, Teri Luckett-\$13.31

RECREATION CENTER: Cynthia Gerlach-\$15.88

SPORTS COMPLEXES: Timothy McCain-\$16.51, Chase Preston-\$13.31

SALARY ADJUSTMENTS:

FINANCE: Janice Peterson-\$31.465

FIRE: Abigail Pearson-\$23.735

POLICE: Niko Arnold-\$33.702, Kyle McLaughlin-\$40.663, Tyler Urban-\$34.376

STREET: Nathan Hegg-\$38.713, Jason Tuttle-\$35.081

TERMINATIONS:

POLICE: Kyle McLaughlin

SPORTS COMPLEX: Andrew Gunnare, Kaelyn Wellnitz

WARRANTS: A&B Business Solutions, Supplies-\$4,694.51; Advance Auto Parts, Supplies-\$17.44; AFSCME Council 65, Union Dues-\$455.26; Alcopro, Supplies-\$253.68; Amazon Capital Services, Supplies-\$1,705.57; American Garage Door, Maintenance-\$2,183.94; American

Playground, Supplies-\$9,241.00; American Public Works, Membership-\$844.00; AT&T Mobility, Utilities-\$1,074.94; AT&T Mobility, Utilities-\$1,118.05; Auto Value Mitchell, Supplies-\$5,083.69; Avera Occupational Medicine, Physicals-\$3,294.00; Bailey Metal Fabricators, Supplies-\$21.56; BAM LLC dba Brookings Auto, 2018 Chevrolet Colorado-\$27,700.00; Bender Sewer & Drain, Maintenance-\$2,889.90; Big Daddy D's, Contract Services-\$1,777.50; Blackstone Publishing, Audiobooks-\$180.69; Brosz Engineering, 2024-2 P.E. #16-\$5,765.00; BSN Sports, Supplies-\$76.98; C&B Operations, Supplies-\$277.83; Central Electric, Utilities-\$1,340.20; CHR Solutions, Mailing-\$4,131.23; CHS, Maintenance-\$4,127.96; Ciavarella Design, 2025-18 P.E. #2-\$2,497.50; City of Mitchell, Concession Start-up-\$2,000.00; Clubhouse Hotel & Suites, Travel-\$523.56; CMC Excavation, Main Extension-\$16,426.18; Column Software, Advertising-\$913.53; Core & Main, Supplies-\$13,680.00; Corn Palace, Corn Palace Games-\$4,047.15; County Fair, Supplies-\$38.50; Crane Realty, Project Improvements-\$8,238.50; Creekside Veterinary Clinic, Service Dog Supplies-\$542.85; CTM Services, Equipment-\$8,463.38; Dakota Fluid Power, Supplies-\$803.53; Dakota Supply Group, Supplies-\$23.54; Dale Star, Reimbursement-\$350.00; Davison County Search and Rescue, 2026 Allocation-\$1,000.00; Department of Social Services, Child Support-\$359.54; Dick's Body Shop, Repair-\$1,842.30; Disc Golf Distribution, Supplies-\$7,280.85; Doll Distributing, Supplies-\$2,040.40; Dr. Matthew Schafer, Renewal-\$888.00; Dakota Wesleyan University Athletics, Corn Palace Games-\$21,154.85; Easyvista, Renewal-\$428.00; Elan City, Maintenance-\$1,004.00; Elfstrand's Ace Hardware, Repair-\$58.35; ELO Prof, Annual Audit for 2025-\$30,742.04; Eric Hieb, Base Contract-\$11,207.87; Fastenal, Supplies-\$386.83; Ferguson Waterworks #2516, Supplies-\$3,595.85; Fingerprint Group, Project Improvements-\$10,000.00; Fleetpride, Supplies-\$1,973.18; Foreup Golf Software, Supplies-\$1,817.52; Graham Tire, Supplies-\$35.97; Grainger, Supplies-\$579.57; Hawkins, Supplies-\$50.00; Haztech Systems, Supplies-\$4,647.00; HDR Engineering, 2022-1 P.E. #39-\$90,799.48; Henry Schein, Supplies-\$1,212.74; HR Green, 2022-8R P.E. #31-\$3,363.55; Hunter Heating & Cooling, Maintenance-\$968.11; Ingram Library Services, Books-\$1,626.85; Inject-O-Meter Manufacturing, Equipment-\$8,301.20; Interstate Office Products, Supplies-\$218.10; Investigations Institute, Training-\$825.00; Israel Espinosa, Catered Meal-\$2,212.50; James Zard, Reimbursed-\$45.00; Johnson Controls Building, Repair-\$3,141.52; Jones, Supplies-\$2,091.48; Kimball Midwest, Supplies-\$236.50; Larry's I-90 Service, Supplies-\$730.41; Lawson Products, Supplies-\$1,382.60; Liz Kitchens, Travel-\$238.79; Luke Nagel, Reimbursement-\$167.97; M&T Fire and Safety, Supplies-\$43,621.78; Make it Mine Designs, Supplies-\$25.00; Mark Gran, Reimbursement-\$43.00; Maximum Promotions, Repair-\$244.79; McLeod's Printing, Supplies-\$479.90; Menard's, Supplies-\$902.83; Microsoft, Subscription-\$916.00; Midwest Oil, Supplies-\$630.90; Midwest Turf & Irrigation, Supplies-\$15,640.69; Millennium Recycling, Single Stream Fee-\$2,349.00; Mitchell Animal Rescue, Management Fee-\$350.00; Mitchell Baseball, Sports Authority Promo-\$2,500.00; Mitchell Concrete Product, Maintenance-\$188.40; Mitchell Main Street and Beyond, Sports Authority Promo-\$1,500.00; Mitchell Plumbing & Heating, Supplies-\$332.94; Mitchell School District, Utilities-\$1,817.82; Mitchell United Way, United Way Deductions-\$110.00; Mueller Lumber, Supplies-\$109.60; Muth Electric, Repair-\$19,442.68; N-Able Technologies, Computer Software-\$211.20; Napa Central, Supplies-\$48.63; North Central Seed, Supplies-\$662.50; Northern Escrow, AIP '33 Airport P.E. #5-\$40,395.20; Northwest Pipe Fittings, Supplies-\$1,470.19; Northwestern Energy, Utilities-\$31,234.52; O'Reilly Automotive, Supplies-\$45.98; Overdrive, Ebooks-\$1,178.27; Pepsi Cola, Supplies-\$434.12; Peterson Concrete, Maintenance-\$1,067.43; Pioneer Manufacturing, Supplies-\$1,430.00; Porter Distributing, Supplies-\$576.45; Premier Pest Control, Maintenance-\$445.00; Public Health Laboratory, Testing-\$1,220.00;

Puetz Design Build, Improvements-\$1,573.42; Qualified Presort Service, Postage-\$470.61; Range Servant America, Supplies-\$5,012.00; Rexwinkel Concrete, Supplies-\$9,396.00; Riverside Technologies, Supplies-\$7,180.00; Rosenbauer South Dakota, Maintenance-\$15,256.00; Runnings, Supplies-\$903.13; Sanitation Products, Supplies-\$2,813.94; Schoenfelder Construction, Supplies-\$320.00; Schoenfelder Portables, Rental-\$805.00; SD Lining Solutions, Supplies-\$34,112.31; South Dakota Public Assurance Alliance, Liability-\$3,074.18; South Dakota-Supplemental Retirement, Supplemental Retirement-\$4,635.00; South Dakota-Supplemental Roth 457, Roth 457 Contributions-\$2,347.50; South Dakota Municipal League, Work Compensation-\$44,290.00; Sherwin-Williams, Supplies-\$140.90; Shi International, Supplies-\$4,635.36; Sign Pro, Supplies-\$88.00; Siteone Landscape Supply, Supplies-\$1,420.18; Southeast South Dakota Tourism, Advertising-\$160.00; SPN & Associates, 2021-45 P.E. #64-\$43,544.05; Standard Insurance, Life Insurance-\$451.61; Staples, Supplies-\$114.34; Subway, Planning Commission Meals-\$62.93; Teamsters Local No. 120, Union Dues-\$1,649.00; Teleflex, Supplies-\$550.00; The Office Advantage, Supplies-\$579.99; The Window Shop, Maintenance-\$10,000.00; Thomas L Price, Screening-\$400.00; Thune True Value & Appliance, Supplies-\$155.55; Titan Machinery, Supplies-\$162.25; Traffic Control, Maintenance-\$2,265.00; Tylor Cassingham, Training-\$220.58; USA Bluebook, Supplies-\$2,177.17; Verizon Wireless, Utilities-\$340.19; Vestis, Service-\$399.72; Xtreme Fire Protection, Inspection-\$350.00; Zimco Supply, Supplies-\$10,384.76; Wellmark, Administration, Prescription, Medical-\$220,049.48; Health Equity, \$20,374.37; South Dakota Department of Revenue, Sales Tax-\$25,451.51; Clover, Credit Card-\$2,413.28; CSG, Credit Card-\$402.35; Global, Credit Card-\$27,506.05

Members present voting aye: Barington, Bathke, Doescher, Goldammer, McCardle, Sabers, Smith.
Members present voting nay: none. Motion carried.

PUBLIC COMMENT:

Elizabeth Luczak of Mitchell Main Street & Beyond updated the public on the latest events happening including the Dessert Rumble during the month of May and the Memorial Weekend in Mitchell event.

Chief of Fire & EMS Shannon Sandoval recognized and thanked the area first responders on responding to the several calls that were received in the last week.

Council Member Goldammer recognized Brenda Olesen from Einstein's for receiving the Hope Award.

BOARD OF ADJUSTMENT:

Moved by Goldammer, seconded by Barington, for the City Council to recess and sit as the Board of Adjustment. Motion carried.

It was advised that this is the date and time set for hearing on the application of Chelsey Prusha for a conditional use permit for family residential daycare located at 1008 East 7th Avenue, legally described as Lot 13, Block 3, Robert Wilkinson's Addition, City of Mitchell, Davison County, South

Dakota. The property is zoned R4 High Density Residential District. The Planning Commission recommended approval of said application with three conditions; the permit is non-transferable, pass a fire inspection, and if the business ceases to operate for six months a new application would be required. Moved by Goldammer, seconded by Smith, to approve said application. Motion carried.

It was advised that this is the date and time set for hearing on the application of JTRT Advertising for a conditional use permit for a 10-6B-3 off premises signs over 300 square feet to a maximum of 600 square feet located at 2101 North Main Street, legally described as Outlots 20 and 21 less and except Lot H1 and Lot H2 of Green's Outlots in the NW ¼ of Section 15, T 103 N, R 60 W of the 5th P.M., City of Mitchell, Davison County, South Dakota. The property is zoned HB Highway Oriented Business District. The Planning Commission recommended approval of said application. Moved by Sabers, seconded by Bathke, to approve said application. Sabers and Bathke withdrew motions. Moved by McCardle, seconded by Goldammer, to postpone application until the next meeting. Motion carried.

It was advised that this is the date and time set for hearing on the application of JTRT Advertising for a variance permit for a 9-4-6-4-C for an off premise digital sign over 300 square feet but under 600 square feet located at 2101 North Main Street, legally described as Outlots 20 and 21 less and except Lot H1 and Lot H2 of Green's Outlots in the NW ¼ of Section 15, T 103 N, R 60 W of the 5th P.M., City of Mitchell, Davison County, South Dakota. The property is zoned HB Highway Oriented Business District. The Planning Commission recommended approval of said application. Moved by Goldammer, seconded by Smith, to postpone application until the next meeting. Motion carried.

Moved by Goldammer, seconded by McCardle, for the Board of Adjustment to adjourn and the City Council to reconvene in regular session. Motion carried.

PRESENTATION:

Tiffany Ellis and Dan Timblin of Leadership Mitchell presented the 2026 class community project. The project involves wrapping the 7th & Main traffic signal box with historical photos and facts of the Corn Palace.

CONSIDER APPROVAL:

Moved by McCardle, seconded by Barington, to approve Special Event Permit Application for 301 Rodz & Ridez Car Show on September 18-20, 2026. Motion carried.

Moved by Smith, seconded by Goldammer, to approve Agreement #A2026-35, Corn Palace Service Agreement for the 2027 summer season with the annual rent to be \$185,900.00. Motion carried.

AWARD BID:

Bids were opened and read on Tornado Saferoom Project #2023-33 (Rebid #2) on the 28th day of April, 2026. Moved by Barington, seconded by Goldammer, to award, as follows:

**TORNADO SAFEROOM
PROJECT #2023-33**

C. Eagle Construction, LLC, PO Box 296, Woonsocket, SD 57385

Total Base Bid	\$816,211.00
Alternate #2	\$ (3,323.58)
Alternate #3.1	\$(35,612.62)
Alternate #3.4	\$ 7,593.34
Alternate #4	\$ (7,646.54)
Alternate #5	\$ (3,089.93)

Total Project Cost \$774,131.67

Motion carried.

Bids were opened and read on 13th Avenue Reconstruction Project #2025-08 on the 22nd day of April, 2026. Moved by McCardle, seconded by Goldammer, to award, contingent on DANR approval, as follows:

**13TH AVENUE RECONSTRUCTION
PROJECT #2025-08**

Menning Excavating, 25462 Cornerstone Avenue, Mitchell, SD. 57301

Total Bid	\$1,323,570.71
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Motion carried.

CONSIDER APPROVAL:

Moved by Goldammer, seconded by Barington, to approve Amendment #1 to Agreement #A2025-09, 13th & Wisconsin Reconstruction with McLaury Engineering-Project #2025-08 in an amount not to exceed \$187,900.00. Motion carried.

Moved by Goldammer, seconded by McCardle, to approve Agreement #A2026-34, Wastewater South Plant Watermain Extension Permanent Easements-Project #2026-41:

- A. Jim River Ridge Farms, LLP
- B. JD Realty, LLC

Motion carried.

RESOLUTION:

Moved by McCardle, seconded by Sabers, to approve Resolution #R2026-24, Petition of Exclusion of Territory from Municipality of Mitchell, SD, as follows:

RESOLUTION #R2026-24

Real Property legally described as Tract F, Wild Oak Golf Club Addition, City of Mitchell, in the Southeast Quarter (SE1/4) of Section Twenty-three (23), Township One Hundred Three (103) North, Range Sixty (60), West of the 5th P.M., Davison County, South Dakota.

WHEREAS: Ronald L. Kristensen, the petitioner and sole owner of the real property legally described above, and Legacy Links LLC, a South Dakota limited liability company, petitioner and operator of a golf course upon said real property, have filed a petition for exclusion; and

WHEREAS: The owner owns more than three-fourths (3/4) of the value of the property in the territory to be excluded from the corporate limits of the City of Mitchell, South Dakota; and

WHEREAS: The notice of the hearing in compliance with SDCL 9-4-7 has been published on April 18, 2026 and April 25, 2026, in the legal newspaper of the City of Mitchell, South Dakota; and

WHEREAS: The property listed above has not been laid out into lots or blocks, as such lots and blocks of cities are usually laid out for convenience in city use; and

WHEREAS: there are no registered voters residing on the area to be excluded; and

WHEREAS: The City Council conducted a public hearing and all interested parties were provided an opportunity to testify on the petition; and

NOW, THEREFORE, BE IT RESOLVED, that in accordance with SDCL 9-4-6, the City of Mitchell, Davison County, South Dakota hereby excludes the property described above.

Motion carried and resolution declared duly adopted.

Moved by Barington, seconded by Smith, to approve Resolution #R2026-20, Resolution Giving Approval to Certain Sewer 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, as follows:

RESOLUTION NO. R2026-20

RESOLUTION GIVING APPROVAL TO CERTAIN SEWER 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 for the collection, treatment and disposal of sewage and other domestic, commercial and industrial wastes; or any system for the control of floods and drainage; or any combination thereof, 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 Mitchell (the "City") currently operates a sewer system for the collection, treatment and disposal of sewage and other domestic, commercial and industrial wastes; and for the control of floods and drainage and has determined that improvements to the sewer facilities are necessary for the conduct of its governmental programs and qualifies as an improvement, extension or addition to its sewer system; and,

WHEREAS, the City has determined to issue its revenue bonds to finance the improvements to its sewer system for the purpose of collecting, treating and disposing of sewage and other domestic, commercial and industrial wastes (the "System") and has applied to the South Dakota Conservancy District (the "District") for a Clean 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 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 Mitchell 13th Avenue Improvements 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 collecting, treating, and disposing of sewage and other domestic, commercial, and industrial wastes.

SECTION 2. Declaration of Necessity and Findings.

2.1.1. Declaration of Necessity. The City hereby determines and declares it is necessary to construct and finance improvements to 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-2, and the federal Clean 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, 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 \$1,560,000 of the costs of the Project through the issuance of bonds payable from the revenue of the Project and other funds secured 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 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 \$1,560,000 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, interest and Administrative Surcharge 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.

4.1. The City does hereby create the Revenue Bond Special-Surcharge 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 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 and shall be 110% of the debt service requirements on the Revenue Bond.

4.2. Rates and collection. The rate herein specific will be collected as a special charge or surcharge for the Project. This special charge or surcharge shall remain in effect until such time as the Revenue Bond is defeased or paid in full.

4.3. 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 pay principal of, interest and Administrative Surcharge on the Revenue Bond when due.

4.4. Segregation. The Finance Officer shall set up bookkeeping accounts in accordance with South Dakota Legislative Audit guidelines for the segregation of the revenue, special charges, and surcharges.

4.5. Periodic review. The amount of the surcharge shall be reviewed from time to time, not less than yearly, and shall be modified in order to produce such funds as are necessary and required to comply with the Loan Agreement's rate covenant and to pay principal of, interest and Administrative Surcharge on the Revenue Bond when due. The surcharge may be set by resolution in accordance with this Section. The rate resolution shall be necessary for the support of government and shall be effective upon passage.

SECTION 5. Additional Bonds. As permitted by Sections 8 and 9 of the Act, Additional Bonds payable from revenues and income of the System or Project may be issued, as permitted in the Loan Agreement, 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. The City shall have the right to issue additional bonds secured by a lien subordinate to the lien from the Revenue Bond pursuant to the Loan Agreement.

SECTION 6. Project Fund Accounts. For the purpose of application and proper allocation of the income of the Project and to secure the payment of principal, Administrative Surcharge and interest on the Revenue Bond, the following mandatory asset segregations 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:

6.1. Project Revenue Account. There shall be deposited periodically into the Project Revenue Account the net revenues as defined in Section 17 of the Act derived from the operation of the Project collected pursuant to the resolutions and ordinances of the City of Mitchell, South Dakota (collectively the "Rate Resolution"). Moneys from the Project

Revenue Account shall be transferred periodically into separate funds and accounts as provided below.

6.2. Project Debt Service Account. Out of the revenues in the Project Revenue Account, there shall be set aside no later than the 25th day of each month into the account designated Project Debt Service Account, a sum sufficient to provide for the payment as the same become due of the next maturing principal of, interest and Administrative Surcharge on the Revenue Bonds and any reserve determined by the City's governing body to be necessary. The amount set aside monthly shall be not less than one-third of the total principal, interest, and Administrative Surcharge payable on the following February 15, May 15, August 15 or November 15 and if there shall be any deficiency in the amount previously set aside, then the amount of such deficiency shall be added to the current requirement.

6.3. Depreciation Account. There shall be established a General Depreciation Account. Out of the revenues of the Project Revenue Account there shall be set aside each month into the General Depreciation Account an amount determined by the Common Council to be a proper and adequate amount for repair and depreciation of the Project.

6.4. Project Surplus Account. There shall be established the Project Surplus Account. Revenues remaining in the Project Revenue Account at the end of any fiscal year after all periodic transfers have been made therefrom as above required, shall be deemed to be surplus and shall be transferred to the Project Surplus Account. If at any time there shall exist any default in making any periodic transfer to the Project Debt Service Account, the Common Council shall authorize the Finance Officer to rectify such default so far as possible by the transfer of money from the Project Surplus Account. If any such default shall exist as to more than one account or fund at any time, then such transfer shall be made in the order such funds and accounts are listed above.

When not required to restore a current deficiency in the Project Debt Service Account, moneys in the Project Surplus Account from time to time may be used for any of the following purposes and not otherwise:

- (a) To redeem and prepay the Revenue Bond when and as such Revenue Bond becomes prepayable according to its terms;
- (b) To pay for repairs of or for the construction and installation of improvements or additions to the System; and, if the balances in the Project Debt Service Account and the Project Depreciation Account are sufficient to meet all payments required or reasonably anticipated to be made there from prior to the end of the then current fiscal year, then:
- (c) To be held as a reserve for redemption and prepayment of any bonds of the System which are not then but will later be prepayable according to their terms; or
- (d) To be used for any other authorized municipal purpose designated by the Common Council.

(e) No moneys shall at any time be transferred from the Project Surplus Account or any other account of the Fund to any other fund of the City, nor shall such moneys at any time be loaned to other municipal funds or invested in warrants, special improvements bonds or other obligations payable from other funds, except as provided in this Section.

SECTION 7. Approval of Paying Agent/Registrar. The Revenue Bond shall be payable at the office of U.S. Bank National Association, St. Paul, Minnesota, hereby designated as paying agent and registrar.

SECTION 8. Approval of Bond Counsel. Meierhenry Sargent LLP is hereby retained as Bond Counsel with respect to the Revenue Bond.

SECTION 9. Tax Matters. The Interest on the Revenue Bond shall be excludable from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (“the Code”) and applicable Treasury Regulations (the “Regulations”).

SECTION 10. Covenants. The City hereby covenants and agrees with the District and other owners of the Revenue Bond as follows:

10.1. The City will punctually perform all duties with reference to the Project, the System and the Revenue Bond required by the constitution and laws of the State of South Dakota and by this Resolution.

10.2. The City agrees and covenants that it will promptly construct the improvements included in the Project.

10.3. The City covenants and agrees that pursuant to Sections 25 through 27 of the Act, the lawful holders of the Revenue Bond shall have a statutory mortgage lien upon the Project and the extensions, additions and improvements thereto acquired pursuant to the Act, until the payment in full of the principal and interest on the Revenue Bond, and the City agrees not to sell or otherwise dispose of the System, the Project, or any substantial part thereof, except as provided in the Loan Agreement and shall not establish, authorize or grant a franchise for the operation of any other utility supplying like products or services in competition therewith, or permit any person, firm or corporation to compete with it in the distribution of water for municipal, industrial, and domestic purposes within the City.

10.4. The City covenants and agrees with the District and other owners of the Revenue Bond that it will maintain the System in good condition and operate the same in an efficient manner and at a reasonable cost, so long as any portion of the Revenue Bond remains outstanding; that it will maintain insurance on the System for the benefit of the holders of the Revenue Bond in an amount which usually would be carried by private companies in a similar type of business; that it will prepare, keep and file records, statements and accounts as provided for in this Resolution and the Loan Agreement. The Revenue Bond shall refer expressly to this Resolution and the Act and

shall state that it is subject to all provisions and limitations thereof pursuant to Section 19 of the Act.

SECTION 11. Depositories. The Finance Officer shall cause all moneys pertaining to the Funds and Accounts to be deposited as received with one or more banks which are duly qualified public depositories under the provisions of SDCL Ch. 4-6A, in a deposit account or accounts, which shall be maintained separate and apart from all other accounts of the City, so long as any of the Bonds and the interest thereon shall remain unpaid. Any of such moneys not necessary for immediate use may be deposited with such depository banks in savings or time deposits. No money shall at any time be withdrawn from such deposit accounts except for the purposes of the Funds and Accounts as authorized in this Resolution; except that moneys from time to time on hand in the Funds and Accounts may at any time, in the discretion of the City's governing body, be invested in securities permitted by the provisions of SDCL 4-5-6; provided, however, that the Depreciation Fund may be invested in such securities maturing not later than ten years from the date of the investment. Income received from the deposit or investment of moneys shall be credited to the Fund or Account from whose moneys the deposit was made, or the investment was purchased, and handled and accounted for in the same manner as other moneys therein.

SECTION 12. Consent to Appointment. In the event of mismanagement of the Project, a default in the payment of the principal or interest of the Revenue Bond, or in any other condition thereof materially affecting the lawful holder of the Revenue Bond, or if the revenues of the Project are dissipated, wasted or diverted from their proper application as set forth in the Loan Agreement, Revenue Bond, or herein, the City hereby consents to the appointment of a receiver pursuant to Section 33 of the Act, and agrees that the receiver will have the powers set forth therein, and in Sections 34 and 35 of the Act to operate and administer the Project, and charge and collect rates as described therein.

SECTION 13. Severability. If any section, paragraph, clause or provision of this Resolution, the Loan Agreement, the Revenue Bond, or any other Loan Document shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Resolution or said Loan Agreement, Revenue Bond, or any other Loan Document.

SECTION 14. Repeal of Resolution. At such time as the Revenue Bond is defeased or paid in full, this Resolution and the special charge or surcharge shall automatically be repealed without any further action of the City.

SECTION 15. Authorization of City Officials. The Mayor, Finance Officer, City Attorney and City officials shall be and they are hereby authorized to execute and deliver for and on behalf of the City any and all other certificates, documents or other papers and to perform such other acts as they may deem necessary or appropriate in order to implement and carry out the actions authorized herein.

SECTION 16. Effective Date. This Resolution shall take effect on the 20th day following its publication, unless suspended by a referendum.

Motion carried and resolution declared duly adopted.

Moved by McCardle, seconded by Bathke, to approve Resolution #R2026-21, A Resolution Amending the 2026 Sewer Rates to Implement the Surcharge for CW-17, as follows:

Resolution #R2026-21

A RESOLUTION AMENDING CITY OF MITCHELL SEWER RATES FOR 2026 BY IMPLEMENTING A SURCHARGE FOR CW-17.

WHEREAS, the City of Mitchell has been involved in a comprehensive infrastructure planning process, and many of these projects will include state revolving loan financing that the city will be obligated to repay through rates,

WHEREAS, these improvements are necessary to meet expected demands of current customers in the next 5-10 years, as well as any future demands from growth and development within the City of Mitchell;

WHEREAS, in addition to the other charges, the City hereby establishes a surcharge of \$1.45 payable to each customer of its system who receives or benefits from the services of the project financed by the CW-17 loan with the borrower bond. The collection of the surcharge shall start on June 1st, 2026. The Surcharge shall remain in effect until such time as the borrow bond is paid in full. The surcharge shall be collected at the same time as the other charges of the system, and establish a surcharge account to segregate the income from other system income for bookkeeping purposes to be pledged to the South Dakota Conservancy District. The surcharge shall be reviewed year to year and modified in order to provide the required 100 percent debt coverage.

THEREFORE, BE IT RESOLVED, by the City Council of the City of Mitchell, the surcharge will be taken out of the rate amounts approved and shown below.

Sewer Rates

		10/1/2025
Residential	Base	\$ 32.03
	Volume	\$ 4.41
Non Residential	Base	\$ 32.03
	Volume	\$ 5.51
Industrial	Base	\$ 32.03
	Volume	\$ 4.39
	BOD	\$ 0.96
	TSS	\$ 1.42
	TKN	\$ 5.29

Sewer rates include the following surcharges that are segregated from the total fees collected:

\$8.05/month/user	CW-05	Sanborn Phase II
\$3.70/month/user	CW-06	East Central Drainage Phase I

\$.99/month/user	CW-07	East Central Drainage Phase II
\$1.11/month/user	CW-08	Daily Drive Lift Station
\$11.60/month/user	CW-09	Waste Water Treatment Plant Improvements Phase I
\$9.36/month/user	CW-10	Waste Water Treatment Plant Improvements Phase II
\$3.47/month/user	CW-11	Waste Water System Improvements
\$.77/month/user	CW-12	Livesay Improvements
\$4.12/month/user	CW-13	S. Wastewater Treatment Plant Improvements
\$2.60/month/user	CW-15	5 th Street Burr to Foster
\$3.55/month/user	CW-16	Ohlman Street- 23 rd to Kemper
\$1.45/month/user	CW-17	13 th Avenue Reconstruction Project

Motion carried and resolution declared duly adopted.

Moved by Goldammer, seconded by Bathke, to approve Resolution #R2026-22, Plat of Lots 1 and 2 of Square 9, Weaver's Squares, as follows:

RESOLUTION #R2026-22

WHEREAS, it appears that the City Planning Commission of the City of Mitchell, South Dakota, did duly consider and did recommend the approval and adoption of the hereinafter described plat, at its meeting held on the 27th day of April, 2026; and

WHEREAS, it appears from an examination of the PLAT OF LOTS 1 AND 2 OF SQUARE 9, WEAVER'S SQUARES, AN ADDITION TO THE CITY OF MITCHELL IN THE NW 1/4 OF SECTION 27, T 103 N, R 60 W OF THE 5TH P.M., DAVISON COUNTY, SOUTH DAKOTA, as prepared by Jeremy A. Wolbrink, a duly licensed Land Surveyor in and for the State of South Dakota, that said is in accordance with the system of streets and alleys set forth in the master plan adopted by the City Planning Commission of the City of Mitchell, South Dakota, and that such plat has been prepared according to law;

THEREFORE, be it resolved by the City Council of Mitchell, South Dakota that the PLAT OF LOTS 1 AND 2 OF SQUARE 9, WEAVER'S SQUARES, AN ADDITION TO THE CITY OF MITCHELL IN THE NW 1/4 OF SECTION 27, T 103 N, R 60 W OF THE 5TH P.M., DAVISON COUNTY, SOUTH DAKOTA as prepared by Jeremy A. Wolbrink, be and the same is approved and the description set forth therein and the accompanying surveyor's certificate shall prevail.

Motion carried and resolution declared duly adopted.

Moved by McCardle, seconded by Barington, to approve Resolution #R2026-23, Plat of Wilson Tracts 3, 4, and 5 in the East Half of Section 25, Township 103 North, Range 61 West of the 5th Principal Meridian, Davison County, South Dakota, as follows:

RESOLUTION #R2026-23

WHEREAS, it appears that the City Planning Commission of the City of Mitchell, South Dakota, did duly consider and did recommend the approval and adoption of the hereinafter described plat, at its meeting held on the 27th day of April, 2026; and

WHEREAS, it appears from an examination of the PLAT OF WILSON TRACTS 3, 4, AND 5 IN THE EAST HALF OF SECTION 25, TOWNSHIP 103 NORTH, RANGE 61 WEST OF THE 5TH PRINCIPAL MERIDIAN, DAVISON COUNTY, SOUTH DAKOTA, as prepared by Jeffery C. Schievelbein, a duly licensed Land Surveyor in and for the State of South Dakota, that said is in accordance with the system of streets and alleys set forth in the master plan adopted by the City Planning Commission of the City of Mitchell, South Dakota, and that such plat has been prepared according to law;

THEREFORE, be it resolved by the City Council of Mitchell, South Dakota that the PLAT OF WILSON TRACTS 3, 4, AND 5 IN THE EAST HALF OF SECTION 25, TOWNSHIP 103 NORTH, RANGE 61 WEST OF THE 5TH PRINCIPAL MERIDIAN, DAVISON COUNTY, SOUTH DAKOTA as prepared by Jeffery C. Schievelbein, be and the same is approved and the description set forth therein and the accompanying surveyor's certificate shall prevail.

Motion carried and resolution declared duly adopted.

CONSIDER APPROVAL:

Moved by Goldammer, seconded by McCardle, to table authorization for proceeding with the Corn Palace dome flag pole replacements and to bring back alternative options. Motion carried.

ORDINANCE:

Moved by Smith, seconded by Barington, to place Ordinance #O2026-05, Repealing Mitchell City Code Section 4-3-1(B) Regarding Indoor Amusement Licenses on second reading. Motion carried. Moved by Goldammer, seconded by Barington, to adopt Ordinance #O2026-05, Repealing Mitchell City Code Section 4-3-1(B) Regarding Indoor Amusement Licenses, as follows:

ORDINANCE #O2026-05

AN ORDINANCE REPEALING MITCHELL CITY CODE SECTION 4-3-1(B) REGARDING INDOOR AMUSEMENT LICENSES.

WHEREAS the Mitchell City Council desires to repeal the requirement that person must have a city license to conduct or operate an indoor opera house, theater or moving picture show.

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF MITCHELL, SOUTH DAKOTA AS FOLLOWS:

Section 1.

That subsection B of Mitchell City Code Section 4-3-1: Licenses Required is hereby repealed.

Section 2.

All ordinances and parts of ordinances in conflict herewith are hereby repealed.

Section 3.

The City Finance Officer shall cause notice of adoption of this ordinance to be published in the official newspaper and twenty (20) days after the completed publication, unless the referendum is invoked, this ordinance shall become effective.

Members present voting aye: Barington, Bathke, Doescher, Goldammer, McCardle, Sabers, Smith. Members present voting nay: none. Motion carried and ordinance declared duly adopted.

Moved by Bathke, seconded by Goldammer, to place Ordinance #O2026-06, Modifying the Method of Electing Officers for the City Council on second reading. Roll call vote was taken.

Members present voting aye: Bathke. Members present voting nay: Barington, Doescher, Goldammer, McCardle, Sabers, Smith. Motion failed.

Moved by Goldammer, seconded by Bathke, to place Ordinance #O2026-07, Amending Ridgeview on Foster Planned Development District on first reading. Motion carried.


EXECUTIVE SESSION:

Moved by Goldammer, seconded by McCardle, to go into Executive Session as permitted by SDCL 1-25-2(3) Consulting with Legal Counsel and SDCL 19-19-502 Lawyer-Client Communications. Motion carried.

Mayor Hanson declared the board out of executive session at 7:39 p.m. and the City Council to reconvene in regular session at 7:40 p.m.

ADJOURN:

There being no further business to come before the meeting, Mayor Hanson adjourned the meeting.


Michelle Bathke
Finance Officer

Published once at the approximate cost of _____.