MINUTES

South Dakota Municipal League
Board of Directors

December 8, 2016 ★ SDML Building, Ft. Pierre

CALL TO ORDER

President Laurie Gill called the meeting to order at 8:30 a.m. and asked for the members present to introduce themselves.

DECLARATION OF QUORUM

Board Members Present were: Meri Jo Anderson, New Underwood; Karl Alberts, Aberdeen; Steve Allender, Rapid City; Tim Reed, Brookings; Pauline Sumption, Rapid City; Becky Brunsing, Wagner; Debbie Houseman, Lake Andes; Anita Lowary, Groton; Fay Bueno, Sturgis; Christine Erickson, Sioux Falls; Mike Wendland, Baltic; Carolynn Anderson, Wall; Mike Grosek, Webster; Renae Phinney, Ree Heights; Arnie Schott, McLaughlin; Harry Weller, Kadoka; Leland Treichel, Roscoe; Laurie Gill, Pierre

Others Present: Geoff Fillingsness, Beresford; Mike Damm, Bridgewater; Yvonne Taylor, SDML Executive Director; Lori Martinec, SDML Director of Research and Training

APPROVAL OF THE MINUTES

It was moved by Wendland, seconded by Weller to approve the minutes of the October 4, 2016 Board Meeting and the October 7, 2016 Annual Business Meeting. Upon unanimous vote, the motion was approved.

APPROVAL OF THE 2016 MEETING SCHEDULE

It was moved by Meri Jo Anderson, seconded by Treichel to approve the 2017 meeting schedule as follows:

- Feb. 7, 2017 - Pierre (Meeting and Legislative Rib Dinner)
- June TBD, 2017 - Pierre (Spring Board Meeting)
- October 3, 2017 – Sioux Falls (Annual Conference Meeting)
- December 14-15, 2017 – Pierre

Upon unanimous vote, the motion was approved.
NEW BUSINESS

Discussion of “Pool” for Building Inspection/Code Enforcement
Geoff Fillingsness, Beresford, outlined a proposal (attached to these minutes) to create a program to assist municipalities with code enforcement through pooling of resources to hire code enforcement, inspection, and legal services.

After discussion by the Board and guest Mike Damm, Mayor of Bridgewater, of the importance of code enforcement efforts and the need for assistance for smaller cities, it was moved by Reed, seconded by Meri Jo Anderson to direct the SDML staff to do a feasibility and pro forma study of a code enforcement pool. Upon unanimous vote, the motion was approved.

Appointment of Affiliate officers
It was moved by Lowary, seconded by Sumption to approve the appointment of the affiliate officers as presented. Upon unanimous vote, the motion was approved.

Approval of Pooling Service Agreements
Taylor also presented the three endorsement/promotion and administrative service agreements between the SDML and the pools, stating there were only minor changes from previous year’s contracts. After board discussion, it was moved by Grosek, seconded by Reed to approve the agreements with all three pools as presented. Upon unanimous vote, the motion was approved.

Approval of RTI Agreement
Taylor stated there were minimal changes, mostly involving removing the provisions for installing the teleconferencing system, which was completed in 2016. It was moved by Anderson, seconded by Houseman to approve the agreement as presented. Upon unanimous vote, the motion was approved.

Approval of Banyon Re-seller Agreement
Taylor noted that the pricing schedule contained a few items that had changed. It was moved by Schott, seconded by Treichel, to approve the agreement and Schedule A as presented. Upon unanimous vote, the motion was approved.

Discussion of SD Retirement System Proposed Legislation
Alberts explained legislation proposed by the SDRS to place a cap on increases in salary used to calculate retirement benefits. After discussion, it was moved by Alberts, seconded by Bueno, for the SDML to support legislation providing limits on final average salary calculations for retirement benefits. Upon unanimous vote, the motion was approved.

DRAM Settlement/Notice Letter
Taylor referred the Board to a copy of the letter accepting DRAM settlement funds on behalf of member municipalities. “DRAM” stands for Dynamic Random Access Memory, and the settlement was the result of a class action law suit.

OLD BUSINESS

Legal Action Update
Taylor updated the Board on the status of the Buffalo Chip challenge to the Supreme Court of the nullification of their incorporation as a municipality, which remains pending; on the denial of the Farabee challenge before the Board of Water and Environment regarding local regulation of ‘cesspools
and privies;’ and on SDML activity to develop articles of incorporation, by-laws, and covenants for the business park in which the SDML office building is located.

**APPROVAL OF THE FINANCIAL STATEMENTS AND 2017 BUDGET**

The Board reviewed the financials as presented. After questions and Board discussion, it was moved by Reed, seconded by Wendland to approve the financials as presented. Upon unanimous vote, the motion was approved.

Taylor explained she was requesting a 1% adjustment for most staff members, with some variations based on changing duties and responsibilities, and that this was consistent with the cost of living increase presented by the State budget recommendation. Staff salaries were presented and reviewed.

The Board entered into executive session at 10:30 a.m.

The Board exited executive session at 11:05 a.m.

It was moved by Bueno, seconded by Schott, to approve the 2017 budget, including staff salaries, as presented. Upon unanimous vote, the motion was approved.

**LEGISLATIVE REPORT**

Taylor reviewed several legislative proposals based on SDML policies and coming from other entities. The packet of draft legislation is filed with these minutes.

Discussion was held on the various pieces of legislation and on the impact of initiated measures which had passed on the November, 2016 ballot.

**EXECUTIVE DIRECTOR’S REPORT**

Taylor noted that earlier discussions on the agenda had incorporated all items that would have been part of this agenda item.

**COMMENTS AND ADDITIONAL BOARD TOPICS**

President Gill asked for further Board comments. Meri Jo Anderson stated that when she was President, the office of Past President was vacant, and that she would like a discussion of making sure that position is always filled placed on the February agenda.

There being no expressed need for executive session, and no further business, the meeting was adjourned at 12:15 p.m.
Proposal for Small Community Code Enforcement

**Statistical Information**

310 cities and towns in the state of South Dakota are incorporated.

105 communities in the state of South Dakota are unincorporated.

12 cities have more than 10,000 residents.

6 cities have between 5,000 and 10,000 residents.

18 cities have between 2,000 and 5,000 residents.

26 cities have between 1,000 and 2,000 residents.

57 cities have between 500 and 1,000 residents.

191 cities have less than 500 residents.

The 105 unincorporated communities range from 3 to 53 residents.

**Things to consider**

This organization would operate under the auspices of the SDML.

Membership would be open to any community that has no code enforcement or needs enhanced enforcement.

If a community joins this program, it will be imperative that their ordinances and codes be brought up to date.

Membership would be voluntary.

The organization would provide the Code Official services on an as needed basis, with a minimum and a maximum time allowed under a basic services agreement.

**Training**

Training is extremely important to the success of this program. Training of the code officials is important, and just as important is the education of the city administration.

Education of city administration and elected officials would have to be done one on one in the local community, given that it is the only place you will get them together.

The South Dakota Code Association as well as AACE, the national code association, can provide that training.

Should these Code Officials be full time employees (of whom) or should they be contractors?

Who shall be the Director of this organization and how shall this person be selected?
Proposal for Small Community Code Enforcement

**Legal Issues**

Shall legal counsel be provided for all legal services?

Should we, as an organization, offer legal services or just provide referral services?

Experience has taught us that using local counsel does not, in most cases, work well when enforcing code in smaller communities. It has been easier to use outside counsel and eliminate the conflict of interest factor.

**Funding**

The organization would be funded by a membership fee and a supplemental fee based on population of the community.

Code services would be paid for by the organization.

Could a fund be established to assist communities in covering the costs that can be incurred in special circumstances?

Given that a number of communities are very small with limited resources, we might consider establishing a revolving contingency fund with minimal payback.

**Costs**

Any costs associated with local cleanup, demolition or local legal cost shall be paid by the community.

If additional services are required that go beyond the basic agreement, those expenses would be paid for by the subscribing community.

In the event that the cost of code enforcement goes beyond the maximum set for the community, the community shall determine if additional expenses are warranted.

**General**

Initially, this program would address the communities of the entire state. This program could eventually include the counties as well.

It should be noted that introducing a program such as this should be presented as a service to the community and not as another of those government mandates.