City of Kimball
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The Kimball City Council met in regular session Monday November 2, 2026 at the city office. Mayor Bill Gough called the meeting to order at 7:30 p.m. Council members present by roll call were Shelly Janish, Matt Bilben, Harold Bickner, Angel Stellwag, Dayle Blasius, and Janene Wingert. Also present were Lydia Morley, Richard Two Two, Deb Kourt, and Donnie Hamiel. Spencer Gilk joined telephonically.

Motion by Bilben, second by Blasius to adopt the agenda. All aye, motion carries.

Motion by Wingert, second by Stellwag to approve the October 19 regular meeting minutes as written. All aye, motion carries.

Finance Officer Morley presented the finance reports and reconciliations for October. Motion by Bilben, second by Stellwag to approve the finance reports and reconciliations. Roll call vote – Bilben-aye; Bickner-aye; Stellwag-aye; Blasius-aye; Wingert-aye; Janish-aye; vote of 6-0, motion carries.

Motion by Wingert, second by Janish to pay the monthly bills. Roll call vote –Bickner-aye; Stellwag-aye; Blasius-aye; Wingert-aye; Janish-aye; Bilben-aye; vote of 6-0, motion carries.

Payroll: Streets $7,047.07; Finance $5,884.60, Police $4,123.16; Library $1,495; Recreation $662.99; Rubble $535.51; Water $448.82; Sewer $448.80.

Bills: Northwestern Energy – Utilities - $2,307.49; Midstate – Utilities - $420.74; Kimball Sinclair – Supplies - $533.40; Brooks Hardware – Supplies, Repairs - $969.02; Drips Post – Rental - $150; A-B Water – Supply - $9,586.50; Central Dakota Times – Publishing - $117.51; SD Supplemental Retirement – Prof. Serv. - $500; District III Planning & Development – Improvements - $10,000; SDML Work Comp – Insurance - $7,173; Bender Sewer & Drain – Prof. Services - $936; Cook Implement – Rental, Repairs - $2,030.95; Nancy Munger – Supplies, Books - $31.60; SD One Call – Prof. Serv. - $9.45; Shannon Capital – Gas - $945.39; Verizon Wireless – Utilities - $199.01; TrueNorth Steel – Supplies - $1,446.48; Maule Law – Prof. Serv. - $1,166.67; First Bankcard – Supplies, Prof. Serv., Books - $974.72; Kaleb's Service – Improvements - $2,500; Donnie Hamiel – Supplies - $212.38; Blasius Sanitation – Utility - $125; Verizon Connect – Prof. Serv. - $56.85; CHS – Supplies - $453.44; Elevated Excavating – Prof. Serv. - $1,850; Overweg Motorsports – Supplies - $34.56; Keiffer Trucking – Supplies - $580; Aflac – Insurance - $308.34; Wellmark – Insurance - $924.07; SDRS – Retirement - $2,276.50; US Treasury – Payroll Tax - $4,986.59; Beam – Insurance - $151.84; HealthEquity –

HSA, Fees - $911.85; First Dakota – Fees - $56.45; SiteWorks Inc – Improvements - $336,582.41.

Employee reports were shared by Two Two and Hamiel.

A portion of the meeting was reserved for public input with none being shared.

Hamiel shared information with the council from SD Rural Water regarding GPS mapping software. Motion by Janish, second by Stellwag to move forward with the software from Subsurface Solutions for $720.00. Roll call vote – Stellwag-aye; Blasius-aye; Wingert-aye; Janish-aye; Bilben-aye; Bickner-aye; vote of 6-0, motion carries.

Motion by Stellwag, second by Wingert to adopt the Retro-Reflectivity Policy document. All aye, motion carries.

No action was taken on mini excavator.

Motion by Blasius, second by Stellwag to approve Main Street Pay Request #6 for $336,582.41. Roll call vote: Blasius-aye; Wingert-aye; Janish-aye; Bilben-aye; Bickner-aye; Stellwag-aye; vote of 6-0, motion carries.

Gilk with Banner shared a Main St Project update including continued work on concrete parking lanes, curb & gutter, and sidewalk work over the past two weeks. A request to amend the specs on proof rolls, densities and base course from SiteWorks was shared. Council decided to follow Banner's recommendation of sticking with the specs as listed in the project documents and project manual.

Motion by Bickner, second by Stellwag to approve Resolution #2026-13 – Resolution Approving Legal Services Agreement with Meierhenry Sargent for the Main St Rural Development Loan. Roll Call Vote: Wingert-aye; Janish-aye; Bilben-aye; Bickner-aye; Stellwag-aye; Blasius-aye; vote of 6-0, motion carries.

RESOLUTION #2026-13
RESOLUTION APPROVING LEGAL SERVICES AGREEMENT

BE IT RESOLVED by the City of Kimball that Meierhenry Sargent LLP be retained as bond counsel for the proposed Sales Tax Revenue Bond and that the Mayor and Finance Officer are authorized to negotiate and execute the form of the Legal Services Agreement on file with the City Finance Officer.

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Mayor Attest: Finance Officer

(SEAL)

Motion by Bickner, second by Wingert to approve Mayor Gough signing the Legal Services agreement with Meierhenry Sargent for the Main St Rural Development Loan. All aye, motion carries.

Motion by Janish, second by Blasius to approve Resolution #2026-14 – Authorizing Resolution for the Main St. Rural Development Loan. Roll call vote – Janish-aye; Bilben-aye; Bickner-aye; Stellwag-aye; Blasius-aye; Wingert-aye; vote of 6-0, motion carries.

RESOLUTION #2026-14

RESOLUTION, GIVING APPROVAL TO THE ISSUANCE OF A SALES TAX REVENUE BOND TO FINANCE STREET IMPROVEMENTS AND AUTHORIZING THE SALE OF SAID SALES TAX REVENUE BOND

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Kimball as follows:

1. Declaration of Necessity. The City of Kimball (the "City") desires, deems, and declares it necessary to issue a Bond, the proceeds of which will be used for Main Street Reconstruction Project. (the "Project"). The City has requested a loan from the United States through the USDA Rural Development on behalf of Rural Housing Service (the "Government").
2. Authority. The City is authorized to issue its Sales Tax Revenue Bond, Series (Year of Issuance), to finance the capital improvements pursuant to Section 10-52-2.10 of the South Dakota Codified Laws. Pursuant to Chapter 10-52 of the South Dakota Codified Laws (the "Act") the City proposes to issue a municipal non-ad valorem revenue bond (as herein authorized, the Sales Tax Revenue Bond, Series (Year of Issuance), or the "Bond") to finance the Project. The City is authorized by the Sales Tax Act to levy a "non-ad valorem tax" (as defined by the Act) on the sale, use, storage, and consumption of items taxed under Chapters 10-45 and 10-46 of the South Dakota Laws, subject to certain, as amended, exceptions.
3. Term of Bond. The City shall issue the Bond in the principal amount of $1,233,000. The Bond shall be signed by the Mayor, attested by the Finance Officer, countersigned by a resident attorney, and shall bear interest from its date, which shall be the date of delivery at a rate to be determined; the principal and interest shall be paid over a period of twenty (20) years in accordance with the terms of the Government.
4. Sales Tax Ordinance. The City Council has adopted Ordinance No. 2005-02 which constitutes the City's effective Sales Tax Ordinance (the "Sales Tax Ordinance"). The Sales Tax Ordinance has been duly adopted pursuant to the Act and effectively and validly imposes the sales and use tax authorized by the Act within the City, such tax being hereinafter referred to as the "Sales Tax".
5. Findings. The City Council hereby finds and determines as follows:
    5.1. The Project constitutes improvements which qualify for the financing under and pursuant to SDCL Chapter 10-52, and the Sales Tax Ordinance; and
    5.2. The sales tax revenue bond authorized hereby is being issued to pay costs of the Project which have not been incurred or paid as of the date hereof and/or which the City has heretofore declared its intention to finance with bond proceeds and for which the City has no other available means or source of financing.

5.3. It is in the best interests of the City to authorize the borrowing of funds to pay a portion of the costs of the Project by authorizing and issuing its Sales Tax Revenue Bond, Series to be determined.

6. No Election Required. The Bond may be issued by the City without an election pursuant to SDCL §10-52-2.10.

7. Form of Bond. The Bond shall be prepared in substantially the form on file with the Finance Officer and open to public inspection, in final form as approved by the Government.

8. Security Provisions; Funds and Accounts and Other Covenants and Determinations.

8.1. Pledge of Sales Tax Revenue. The principal of and interest on the Bond shall be payable solely from the collections of the Sales Tax. The City hereby irrevocably assigns and pledges so much of the Sales Tax collections as may be necessary to pay the principal of and interest on the Bond when due and to make all required deposits to the Debt Service Reserve Account. So long as the Bond remains outstanding, the City covenants that it will continue to impose and collect the Sales Tax and will set aside the pledged Sales Tax collections for the payment of the Bond and satisfaction of the City's related reserve requirements.

8.2. Protection and Disposition of Funds; Establishment of Accounts. The City shall be the custodian of all funds relating to the Project and the Bond. Such funds shall be deposited in legally authorized depositories or invested in investments permitted by South Dakota law and applicable Rural Development requirements. So long as the Bond remains outstanding, the Finance Officer shall establish and maintain the following accounts, which may be maintained as separate bank accounts or as separate bookkeeping accounts unless otherwise directed by Rural Development.

(a) Construction Account. The proceeds of the Bond, together with the proceeds of any interim financing, grants, City contributions, and other funds designated for the Project, shall be deposited into the Construction Account. Money in the Construction Account shall be used solely to pay or reimburse authorized costs of the Main Street Reconstruction Project in accordance with the approved project budget, the Letter of Conditions, and Rural Development requirements. Withdrawals shall be made only upon authorization of the City and, when required, with the prior concurrence of Rural Development. Insurance proceeds, liquidated damages, and payments received from defaulting contractors or their sureties relating to the Project shall also be deposited into the Construction Account and applied to completion of the Project. After all Project costs have been paid, any remaining balance shall be applied to the Bond or used for another authorized purpose approved by Rural Development.

(b) Sales Tax Revenue Account. All collections of the Sales Tax pledged to the Bond shall be deposited into the Sales Tax Revenue Account. Money in the Sales Tax Revenue Account shall be transferred and applied in the following order of priority:

(1) first, to the Debt Service Account in the amount necessary to pay the next installment of principal and interest on the Bond when due;

(2) second, to the Debt Service Reserve Account in the amount required to make the annual reserve deposit and to restore any deficiency in that account; and

(3) third, any remaining money may be retained in the Sales Tax Revenue Account or used for any other lawful municipal purpose, subject to the covenants of the City, the Letter of Conditions, and any required approval of Rural Development.

(c) Debt Service Account. The City shall transfer from the Sales Tax Revenue Account to the Debt Service Account, before each payment date, an amount sufficient to pay the principal of and interest on the Bond when due. Money in the Debt Service Account shall be used solely for payment of principal of and interest on the Bond and shall not be used for any other purpose while the Bond remains outstanding.

(d) Debt Service Reserve Account. The City shall establish and maintain a separate Debt Service Reserve Account in an amount equal to at least one average annual installment on the Bond. The City shall accumulate the required reserve by depositing not less than one-tenth of the average annual installment during each fiscal year until the required reserve amount is attained. The reserve shall be reported annually to Rural Development and shown in the City's annual audit as a separate and identifiable restricted account. If the balance in the Debt Service Reserve Account is less than the required amount at the end of any fiscal year, the City shall provide Rural Development with a twelve-month budget and written plan for correcting the deficiency. Money in the Debt Service Reserve Account may be withdrawn only with the prior written approval of Rural Development and may be used only for payment of principal of or interest on the Bond, emergency expenditures, or another purpose approved by Rural Development. Any withdrawal that reduces the account below the required balance shall be restored in the manner directed by Rural Development.

(e) Excess Revenues. After making all required transfers to the Debt Service Account and the Debt Service Reserve Account, the City may retain any remaining Sales Tax collections or apply them to any lawful municipal purpose. Any optional prepayment of the Bond shall be made in accordance with the Bond, the Letter of Conditions, and Rural Development requirements.

(f) Continuing Covenant. So long as the Bond remains outstanding, the City shall maintain the foregoing accounts, continue to impose and collect the Sales Tax, and deposit and apply the pledged Sales Tax collections in the manner required by this Resolution.

8.3. Other Covenants and Agreements of the City. The City covenants and agrees that so long as the indebtedness hereby authorized remains unpaid;

(a) It will indemnify the Government for any payments made or losses suffered by the Government.

(b) It will comply with applicable State laws and regulations and continually operate and maintain the Project in good condition.

(c) It will establish and maintain such books and records relating to its financial affairs, and will provide for the annual audit thereof, in such manner as may be required by the Government; will provide the Government without its request a copy of each such audit; and will make and forward to the Government such additional information and reports as it may from time to time require.

(d) It will provide the Government, at all reasonable times, access to all books and records relating to the Project and access to the property of the Project so that the Government may ascertain that the City is complying with the provisions hereof and with the provisions of other instruments incident to the making or insuring of the loan.

(e) It will maintain at least such insurance and fidelity bond coverage as may be required by the Government.

(f) Debt Service Coverage. Beginning with the first full fiscal year commencing in 2027, the City shall maintain, and shall test annually, a debt service coverage ratio of not less than 1.25 to 1.00. For purposes of this covenant, the debt service coverage ratio means the City's sales tax revenue, divided by the sum of all payments due on obligations payable from the sales tax revenue during the applicable fiscal year, including all required deposits to debt service reserve accounts.

9. Electronic Preauthorized Debit System. All payments of principal of and interest on the Bond shall be made through the electronic preauthorized debit system which will allow payments to be electronically debited from the City's account on the day the payment is due.

10. Refinancing. If at any time it shall appear to the Government that the City is able to refinance the amount of the indebtedness then outstanding, in whole or in part, by obtaining a loan for such purposes from responsible cooperative or private credit sources at reasonable rates and terms for loans for similar purposes and periods of time, the City will, upon request of the Government, apply for and accept such loan in sufficient amount to repay the Government and will take such actions as may be required in connection with such loan.

11. Prepayments. Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of the borrower, extra payments and loan proceeds obtained from outside sources for the purpose of paying down the debt, shall, after payment of interest, be applied to the principal. Partial prepayment shall not affect the obligation of the borrower to pay the remaining installments as scheduled. If at any time it shall appear to the Government that the City is able to refinance the amount of the indebtedness then outstanding, in whole or in part, by obtaining a loan for such purposes from responsible cooperative or private credit sources at reasonable rates and terms for loans for similar purposes and periods of time, the City will, upon request of the Government, apply for and accept such loan in sufficient amount to repay the Government and will take such actions as may be required in connection with such loan.

12. Additional Bond. No additional Bond may be issued on a parity or subordinate basis to the Bond without written approval of the Government.

13. Certification of Proceedings. The officers of the City are authorized and directed to prepare and furnish to the purchasers of the Bond certified copies of all proceedings and records of the City relating to the authorization and issuance of the Bond and such other affidavits and certificates as may reasonably be required to show the facts relating to the legality and marketability of the Bond as such facts appear from the officer's books and records or are otherwise known to them. All such certified copies, certificates, and affidavits, including any heretofore furnished, shall constitute representations of the City as to the correctness of the facts recited therein and the action stated therein to have been taken.

14. Bond Anticipation Note. The City Council does hereby authorize the issuance and sale of a bond anticipation note in the manner and subject to the limitations set forth in SDCL §§ 6-8B-26 to 6-8B-29, inclusive. The Mayor and Finance Officer are authorized to take such action as is necessary to issue the bond anticipation note.
15. Resolution Becomes Effective Upon Passage. This Resolution shall become effective upon passage.

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Mayor Attest: Finance Officer
(SEAL)

Motion by Bickner, second by Stellwag to approve the following 2027 liquor license renewals. Roll call vote – Bilben-aye; Bickner-aye; Stellwag-aye; Blasius-aye; Wingert-aye; Janish-aye; vote of 6-0, motion carries.

- Kimball Clark, LLC, Scott A. Handel and Lee W. Pulse, 800 S. Main, Part of SE ¼ of NE ¼ Outlot K, Sec. 10-103-68, Package (Off-Sale) Liquor
- Shannon Capital, Inc., d.b.a. Ditty's Diner, Kelly Flannery, 801 S. Main St, Lot 1 of Irregular Tract 4, NE ¼ Sec. 10-103-68, Retail (On-Off Sale) Wine and Cider
- Shannon Capital, Inc., d.b.a. Ditty's Diner, Kelly Flannery, 801 S. Main St, Lot 1 of Irregular Tract 4, NE ¼ Sec. 10-103-68, Retail (On-Sale) Liquor
- Shannon Capital, Inc., d.b.a. Ditty's Diner, Kelly Flannery, 801 S. Main St, Lot 1 of Irregular Tract 4, NE ¼ Sec. 10-103-68, Package (Off-Sale) Liquor
- Soak N Suds, LLC, Jeff Ashley, 237 S. Main St, Lots 7-12, Blk 11, Kimball Original, Package (Off-Sale) Liquor
- Soak N Suds, LLC, Jeff Ashley, 237 S. Main St, Lots 7-12, Blk 11, Kimball Original, Retail (On-Sale) Liquor

Motion by Bickner, second by Bilben to approve Resolution #2026-15- Adopting the Brule County Hazard Mitigation Plan for the 2026 update. Roll call vote – Bickner-aye; Stellwag-aye; Blasius-aye; Wingert-aye; Janish-aye; Bilben-aye; vote of 6-0, motion carries.

RESOLUTION #2026-15 - Brule Co Hazard Mitigation Plan

A resolution of the City Council of Kimball declaring its support for, and adoption of, the 2026 Brule County Hazard Mitigation Plan.

WHEREAS a Hazard Mitigation Plan for Brule County has been developed; and

WHEREAS the City of Kimball participated in the development of the Plan; and

WHEREAS the Plan will be used as a disaster mitigation planning tool as deemed appropriate by the Kimball City Council.

NOW THEREFORE BE IT RESOLVED that the Kimball City Council hereby adopts and supports the Plan and will take action to ensure that the Plan is implemented.

Adopted and approved this 2nd day of November 2026.

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Mayor Attest: Finance Officer (SEAL)

The next meeting was set for November 23rd at 7:30 p.m

No Mayors comments were shared.

Motion by Wingert, second by Stellwag to enter executive session at 8:28 pursuant to SDCL 1-25-2(3) for legal matters. All aye, motion carries.

Council exited Executive Session at 8:52 p.m.

Motion by Janish, second by Bilben to adjourn at 8:53 p.m. All aye, motion carries.

_____ _____

Bill Gough, Mayor Attest: Finance Officer