

CITY OF MILLER
CITY COUNCIL MEETING
SEPTEMBER 21, 2026

The City of Miller is an equal-opportunity employer.

The City Council met in regular session at city hall at 7:00 p.m. on Monday, September 21, 2026.

MEMBERS PRESENT: Mayor Tom McGough, Aldermen: Dale Hargens, Will Jones, Patrick Price, Gale Auch, Landon Gab and Alderwoman Susan Hargens.

CALL TO ORDER: Mayor McGough called the meeting to order.

Pledge of Allegiance was said by all present.

AGENDA: Mayor McGough stated that new business item number 2 and 4 can be removed from the agenda to address at a later date. Motion by Alderman Hargens, seconded by Alderman Auch to approve the agenda with of items 2 and 4. All members voted aye. Motion carried.

MINUTES: Motion by Alderwoman Hargens, seconded by Alderman Gab to approve the minutes as printed for the regular meeting held September 8, 2026. All members voted aye. Motion carried.

PUBLIC INPUT: Mayor McGough mentioned that he appreciates when the public expresses their opinions and asks questions about city business and happenings.

NEW BUSINESS

Waterworth Presentation: Waterworth Client Success staff Aryan Chawla and Emilie Daitl presented the City's long-term financial model for the water fund. Aryan provided a brief overview of Waterworth's services and explained that three key components are essential to successfully managing a municipal water utility while keeping rates reasonably affordable for residents: Finance Department: ensuring funds are accurately accounted for, Water Department: completing necessary water projects and maintaining an appropriate level of service, City Council: balancing the need to generate sufficient revenue to provide the desired level of service and reinvest in the system while keeping water rates affordable for residents.

Aryan noted that balancing these priorities can be challenging. Waterworth provides an alternative to periodic water rate studies by offering an ongoing, adjustable, long-term financial planning model. The live financial forecasting model is designed to help the City make informed financial decisions and adjust its plans as conditions change.

Emilie reviewed the status quo baseline model, including the water fund's operating and nonoperating revenues and expenses, capital improvement projects, and the impact of maintaining current rates on the fund's cash position and operating threshold.

Water meters are scheduled for replacement in 2028, and the water tower is scheduled for recoating in 2031. Due to inflation and increasing operating expenses, maintaining current rates would result in a negative cash position by 2033. Revenue increases will therefore be necessary to maintain the cash position at or above the operating threshold.

Two options were presented for increasing water rates while leaving surcharges unchanged: Option A: Increase all customer water rates by 12% in 2027. Option B: Adopt a tiered rate structure on usage to better align the percentage of billed revenue contributed by customers with their percentage of total water consumption. Base fees would remain unchanged. Under the current rate structure, higher-volume users consume a greater share of the system's water while contributing a smaller share of total revenue, while lower-volume users contribute a greater share of revenue relative to their water consumption.

At the conclusion of the presentation, the sewer fund model was reviewed. No major projects are currently planned, and the sewer fund has a healthy cash position relative to the three-month operating threshold. No rate increases are necessary in 2027.

Alderman Price stated that this is a preliminary step toward taking a more proactive approach to rate setting and future projects. The goal is to reduce the need for future loans or surcharges for capital improvements while setting aside a portion of revenues for future water system repairs and replacements. He noted that additional discussion by the Utilities and Finance Committees will be needed before any changes are implemented.

Hire Police Officer: An offer was made and accepted after the last regular city council meeting. Motion by Alderman Gab, seconded by Alderman Auch to hire Braden Barry to the open police officer position at the offered wage of \$21.00 per hour with a \$1.00 per hour increase upon successful completion of LET certification. Braden’s estimated start date is set for December 1, 2026. All members voted aye. Motion carried.

Swimming Pool Project: Finance Officer Cindy Deuter received the following invoices from Burbach Aquatics shortly after the rebid was awarded to Lloyd Construction. The additional invoices make up the difference owed to date due to the difference in the engineer’s estimate and the rebid amount awarded. Motion by Alderman Hargens, seconded by Alderman Price to pay **Burbach Aquatics invoices 09085** for Phase II Basic Compensation for \$146,298.81 and **09086** for Phase III Basic Compensation for \$18,172.34 for a total of \$164,471.15. All members voted aye. Motion carried.

Efraimson Electric – contract: Motion by Alderman Price, seconded by Alderman Jones to sign and enter into contract with Efraimson Electric for the airport AWOS-III-P project. The full contract is on file in the city finance office and with Helms & Associates. All members voted aye. Motion carried.

Approval of Bills: Motion by Alderman Price, seconded by Alderman Jones to approve the bills for payment. All members voted aye. Motion carried.

EXECUTIVE SESSION: Motion by Alderman Auch, seconded by Alderman Jones to go into executive session pursuant to SDCL 1-25-2(1) for personnel matters at 7:43 p.m. All members voted aye. Motion carried. Mayor McGough returned the meeting to regular session at 8:30 p.m.

Motion by Alderman Gab, seconded by Alderman Auch to adjourn the meeting. There being no further business, the meeting was adjourned at 8:30 p.m. All members voted aye. Motion carried.

Tom McGough, Mayor

Cindy Deuter, Finance Officer

LEGAL NOTICE OF RECEIPT

Copy of the official proceedings
was received on: _____
Published once at the
approximate cost of: _____

Bills September 2026 (2)

44i	Prof Fees	498.00
A & B Business	Prof Fees	238.22
Burbach Aquatics	Prof Fees	164,471.15
Cowboy Country	Fuel	46.10
Dakota Energy	On-Call	1,060.00
Dakota Fluid Power	Supplies	408.40
Dollar General	Supplies	26.65
Dan Fritzsche	Reimb	122.00
Dustin Graham	Reimb	19.00
First Bank & Trust	Power	5,203.60
Ron Hoftiezer	Reimb	19.00
Iverson Auto	Supplies	1,280.50
Kba	Prof Fees	6,987.50
Knox, Andrew	Reimb	122.00
Oakley, Grady	Supplies	160.00
Ohed	Industry	5,500.00
Prairieland Collections	Prof Fees	17.50
Rd	Loans	16,403.00
Sd Phl	Water Samples	390.00
Sd Dor	Sales Tax	9,175.32
Sd Dot	Signs	64.00
Sdml	Prof Fees	315.00
Servall	Service	145.42
Sturdevant's	Supplies	137.76
Tony's Repair	Maint.	67.40
Uline	Supplies	37.71
Visa	Supp./Wtr Purchased/Fuel/Etc	23,254.97
Wapa	Power	51,900.00
World Insurance	Premiums	112,796.94
	Accounts Payable Total	<u>\$400,867.14</u>

**Payroll Salary plus Benefits
by Department:**

		9/24/2026		
	Department	w/o OT	OT	Total
41402	FINANCE OFFICE	3,443.07	0.00	3,443.07
42101	POLICE	11,702.32	1,502.73	13,205.05
43101	STREET	8,845.06	307.72	9,152.78
43201	SEWER	6,905.03	179.65	7,084.68
43305	WATER	6,886.78	179.64	7,066.42
43403	ELECTRIC	18,626.78	0.00	18,626.78
45101	BALLPARK	290.66	0.00	290.66
45202	PARK	1,281.04	0.00	1,281.04
		<u>\$57,980.74</u>	<u>\$2,169.74</u>	<u>\$60,150.48</u>