

April 3, 2023 Meeting Minutes

The Castlewood City Council met on the above date at 7 pm with the following members present: Jeanette Bohls, Heather Schmit, Chad Ries, Stef Goldhorn, and LeeAnne Dufek. Absent Beau Schooley. Also present: Logan Kool, John Schmit, Justin Bucher, Josh Spilde, Joey Barrett, Jerry Gerberding, Chuck Greenfield, Rylan Ojala, Harry Boner of the American Legion and Travis Steffensen representing Sioux Rural Water.

The meeting was called to order by the Mayor and the pledge of allegiance was led by the Mayor. The agenda was presented. A motion to approve the agenda with the addition of the 2nd reading of the golf course supplemental budget and a conflict of interest by Schmit and seconded by Bohls. All members present voting aye and the motion passed.

There were no public comments made.

A motion was made to approve March's meeting minutes by Schmit and seconded by C. Ries. All members present voting aye and the motion passed.

Approval of bills. A motion was made to approve by Bohls and seconded by Schmidt. All members present voting aye and the motion passed.

GENERAL FUND

WAGES	PAYROLL	17539.77
BRIAN RIES	CELLPHONE REIMBURSEMENT	30.00
CASTLEARTS	WEBSITE FEES	260.00
CITIZENS STATE BANK	ACH FEES	20.00
CONNECTING POINT	COMPUTER SOFTWARE	60.00
CORNER MARKET	POSTAGE	31.50
DELTA DENTAL	GROUP INSURANCE	46.70
EFTPS	TAX PAYMENT	2889.96
EFTPS	TAX PAYMENT	3515.28
GREAT AMERICA	COPIER LEASE	120.32
HAMLIN COUNTY REPUBLICAN	PUBLISHING	287.43
INNOVATIVE OFFICE SOLUTIONS	OFFICE SUPPLIES	320.00
ITC	UTILITIES	246.94
LOGAN KOOL	CERTIFIED MAIL REIMBURSEMENT	30.00
OTTERTAIL	UTILITIES	139.74
VISA	POSTAGE	63.00
HILLYARD	CLEANING SUPPLIES	115.36
NORHTWESTERN ENERGY	UTILITIES	435.21
SDML	WORKMEN'S COMP PAYROLL AUDIT	152.00
STAR LAUNDRY	RUG RENTAL	76.56
HAMILN COUNTY AUDITOR	POLICE CONTRACT	4008.33
ESTELLINE COOP	FUEL EXPENSE	323.83
HAMLIN HIGHWAY DEPT	STREET SNOW REMOVAL	388.00
MACK CONCRETE AND HAULING	STREET SNOW REMOVAL	2145.00

MARC LEWNO	CELLPHONE REIMBURSEMENT	30.00
MENARDS	STREETS REPAIRS/MAINT	57.87
NORHTWESTERN ENERGY	UTILITIES	576.75
BASS SANITATION	GARBAGE SERVICE	4980.00
SOUTH DAKOTA DEPARTMENT OF REV	SANITATION SALES TAX	332.57
OTTERTAIL	UTILITIES	2474.73
ASHLEY VANTZELFDE	SUMMER REC REFUND	40.00
KELLY ALEXANDER	SUMMER REC REFUND	40.00
KENT POPHAM	SUMMER REC REFUND	20.00
MATT SQUIRES	SUMMER REC REFUND	65.00
ON DECK SPORTS	PARK IMPROVEMENTS	697.17
BARNES & NOBLE, INC	LIBRARY SUPPLIES	83.08
JAN SCHIERNBECK	LIBRARY SUPPLIES	20.95
OFFICE PEEPS	LIBRARY SUPPLIES	132.33
FIRST PREMIER BANK	LIBRARY RENTALS	150.00
AMERICAN LEGION POST 250	RECREATION DONATION	1000.00
GENERAL FUND TOTAL		43,805.64

WATER

DAKOTA SUPPLY GROUP	REPAIRS & MAINTENANCE	163.70
OTTERTAIL	UTILITIES	193.43
SOUTH DAKOTA RURAL DEVELOPMENT	Water - Loan Principal	506.20
SOUTH DAKOTA RURAL DEVELOPMENT	Water - Loan Interest	730.80
WATER FUND TOTAL		1594.13

SEWER

OTTERTAIL	SEWER - UTILITIES	89.32
WELLS FARGO	SEWER - LOAN PRINCIPAL	2396.49
WELLS FARGO	SEWER - LOAN PRINCIPAL	3698.23
WELLS FARGO	SEWER - LOAN INTEREST	331.27
WELLS FARGO	SEWER - LOAN INTEREST	65.00
SEWER FUND TOTAL		6580.31

GOLF

WAGES	PAYROLL	4847.50
DELTA DENTAL	GOLF GROUP INSURANCE	44.70
FERGUSON WATERWORKS #2516	IRRIGATION SYSTEM INSTALLATION	8940.22
ITC	GOLF UTILITIES	8.81
NB GOLF	GOLF CARTS PURCHASE	23500.00
VGM FINANCIAL SERVICE	GOLF CART LEASE	462.33
GOLF FUND TOTAL		37,803.56

Mayor Report. Summer rec baseball and softball registration will begin shortly.

Finance Report. The Finance Officer provided council with a bank reconciliation for the month of March, 2023 showing that the bank statements were an accurate reflection of the accounting software reports and that there was no variance in what was reconciled vs. reported. Kool will be on vacation April 17-21 and the city office will be closed; Kool will check emails as time allows.

Maintenance Report. John Schmit is settling in very well, continuing to gather knowledge about the job, he will be joining a small water treatment class via zoom on April 27th.

Industrial lots rezone 1st reading. A motion to approve the first reading of the rezone of the Castlewood Industrial Park 2nd Addition: lots 1, 2, 3, 4 & 5 was made by Goldhorn and seconded by C. Ries, all members present voting aye and the motion passed.

Industrial Park Property Owner Sewer Plan. Rylan Ojala explained his plans to hook on to city sewer via lots 1, 2 and 3 by connecting to the city main. Ojala thought he had enough grade to connect and would insulate the pipe to possibly prevent freezing.

Joey Barrett Access Approach. Florence township referred the access approach permit off of 184th street adjacent to Barrett's property over to the city to approve, Barrett said he would install a culvert for drainage purposes. A motion to approve the access permit was made by C. Ries and seconded by Schmit, all members present voting aye and the motion passed.

Bus Barn Rezone 2nd Reading. A motion to approve the 2nd reading of the bus barn rezone from agricultural to highway commercial was made by C. Ries and seconded by Bohls, all members present voting aye and the motion passed.

SRW Contract. Travis Steffensen was present to discuss the contract for Sioux Rural Water. The contract includes a connection fee of \$90,000.00 which includes the meter building, a monthly service charge of \$340.00, a price of \$4.55/1000 gallons of water delivered and a surcharge of \$.10 per gallon applied in excess of the contracted amount at 150,000 gallons per day or 125 gallons per minute. Sioux Rural Water also included a clause that states if the City of Castlewood would ever give up their wells and water rights, SRW would acquire those. A motion to approve the signing of the contract by C. Ries and seconded by Goldhorn, all members present voting aye and the motion passed.

Spilde Addition Developer's Agreement. Josh Spilde was present to inquire about the status of his development, he reiterated his plans of 40 1 acre lots, conventional homes or shed houses with potential for sheds on back lots, asphalt roads, SRW connection, Ottertail for power and septic tanks in the PUD. Spilde asked council to change the ordinance again to allow septic tanks in a PUD. Justin Bucher of Banner Associate's explained that gravity fed sewer in the Spilde development will not work and a lift station will need to be installed if septic tanks are not allowed. Dufek made a motion to stand by her previous approval allowing septic tanks in the PUD, no second. Motion failed.

Other Old Business. Old trophies displayed in the community center will be boxed up and decided what to do with at a later date; city council is working on decluttering the entire community center building. Harry Boner of the American Legion was present and discussed his concerns with access to the community center being more restricted, requiring notice to the finance officer for every visit. City

council explained that the community center is open to the public when the finance officer is in, Monday – Friday from 8 a.m. to 4:30 p.m., the building will be locked up in the evenings and on the weekends and every individual, business or non-profit will have to schedule their visits with the finance officer during office hours. Chuck Greenfield was also present and inquiring about how he will access flags for Memorial weekend and other important dates. City council discussed that the flags will be moved to the firehall shed where Chuck can easily access them anytime with a keypad code. Harry Boner provided documentation to receive the \$1,000.00 donation for legion baseball from the city. A motion was made to approve the check in the amount of \$1,000.00 by Dufek and seconded by Schmit, all members present voting aye and the motion passed. Kool asked council if AAA Collections could be used to collect on delinquent utility accounts, AAA cut would be 25% of whatever they can collect, council gave their approval.

Gravel Streets Plan, Bass reminder. J. Schmit discussed that the roads are still extremely wet and soft as the snow continues to melt and the frost comes out, he will start to gravel streets in need and fix potholes as Mother Nature allows. Bass Sanitation would like to remind everyone to bring their cans to paved streets as the alleys are extremely soft and muddy, they will not pick up in alleys for the remainder of April and will reconsider after May 1.

Economic Development Housing Grant. The housing grant for 210 E Harry street will be voted on for approval at the May 1 meeting as economic development hadn't approved it yet.

Septic Tank Barrett Property. Joey Barrett reiterated his skepticism of the grinder pump and hooking into city sewer on the east side of 4th avenue south under the road after a number of people told him it wouldn't work. Council would like to see quotes from Joey as to what it is going to cost him to go under the road and hook into city sewer. Kool explained that Dakota Pump Control is coming in the spring to do some repair work on the operable lift station and that maybe they could take a look at the inoperable lift station at the corner of 4th avenue south and 184th street to see what it would take to get it operating. Council gave their approval for Kool's request.

Trees for Pine Street. Stephanie Dobbs wrote council inquiring if trees could be planted in the gully to the North of Alice street. Council discussed their previous plan for the tree donation by the Castlewood Community Foundation and would revisit their plans at a later date.

Popham sweeping quote. A motion for street sweeping at \$2300.00 for all hard surfaced streets and oak avenue once a month at \$150.00 was made by C. Ries and seconded by Bohls, roll call vote, Dufek yay, Goldhorn yay, C. Ries yay, Bohls yay, Schmit abstained, motion passes.

Annual Report 2022. Kool presented council with the annual report for 2022 and had 2021 as a comparison. Kool noted that she contacted Rod Fortin at legislative audit regarding incorrect coding for a handful of different items and he instructed Kool to leave it as is explaining that those are the expenses that have been approved by council every month and it's not as simple as editing. Kool noted some inconsistencies with coding in the 2021 annual report completed by Grant & Williams as well and assured council she would be mindful of how important accurate coding is moving forward. Overall, a good year financially for the City of Castlewood regardless of the unfortunate tornado event. Revenues were up in most categories and those revenues did not include the FEMA disbursements as those are on the books for 2023. Aside from the debris clean up expense invoices from the tornado, the city only had roughly \$25,000.00 more in expenditures for 2022, that \$25,000 figure included damages to city

buildings and property by the tornado as well. A motion to approve the 2022 annual report by Dufek and seconded by Schmit, all members present voting aye and the motion passed.

Drinking Water Report 2022. Council reviewed the drinking water report for 2022 and noted the violation of a lack of certified operator in June of 2021, due to the SRW switch a water treatment certified operator will no longer be needed. This report will be available online for the public to review.

Maintenance Credit Card. A motion was made to add John Schmit and remove Marc Lewno from the maintenance credit card by Bohls and seconded by Goldhorn. Roll call vote, Bohls yay, Goldhorn yay, C. Ries yay, Dufek yay, Schmit abstained, motion passed.

Investment Report. Kool prepared the first quarter 2023 investment report for council showing \$3,166,250.32 in the bank at Citizen's State Bank and First Premier. Interest rates remain strong from 2 to 2.5%, the money is split pretty evenly between both local banks.

Golf Course Hires. A motion was made to approve Neil Dvorak at \$15.00/hr, Leah Aderhold \$10.00/hr, and Jim Janssen at \$15.00/hr for golf course maintenance by Bohls and seconded by Schmit, all members present voting aye and the motion passed. Clubhouse help and wages to be determined at the May 1, 2023 meeting.

Softball Field Dugouts. A motion was made to approve the softball field dugouts improvement at a total cost of \$17,000, \$8,000.00 will be reimbursed from insurance by C. Ries and seconded by Dufek, all members present voting aye and the motion passed.

2ND Reading Golf Course Supplemental Budget. A motion was made to approve the 2nd reading of the supplemental golf course budget of \$10,000.00 for equipment purchases by Schmit and seconded by C. Ries, all members present voting aye and the motion passed.

Conflict of Interest. City council is aware of the conflict of interest with councilwoman Heather Schmit and her brother John Schmit being employed by the city.

Lake Poinsett Directory. A motion was made to approve advertising in the Lake Poinsett Directory again for the city and the golf course at a total cost of \$600.00 by Schmit and seconded by C. Ries, roll call vote. Bohls yay, Goldhorn yay, C. Ries yay, Schmit yay, Dufek abstained, motion passed.

A motion to adjourn at 9:51 p.m. made by C. Ries and seconded by Bohls, all members present voting aye and the motion passed.

Logan Kool
Finance Officer