

July 6, 2023 Meeting Minutes

The Castlewood City Council met on the above date at 7 pm with the following members present: Jeanette Bohls, Heather Schmit, Stef Goldhorn, LeeAnne Dufek and Beau Schooley, absent: Chad Ries. Also present: Logan Kool, John Schmit, Doug Gerhold, Adam Rudebusch and Josh Spilde.

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 Sioux Rural Water contract by H. 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 June's meeting minutes with the addition of square merchant fees of \$1163.61 by Dufek and seconded by Goldhorn. All members present voting aye and the motion passed.

A motion was made to approve the bills for July by Dufek and seconded by Goldhorn. All members present voting aye and the motion passed.

GENERAL FUND

WAGES	PAYROLL	18671.41
BRIAN RIES	CELLPHONE REIMBURSEMENT	30.00
CASTLEARTS	WEBSITE HOSTING	260.00
WILKINSON LAW OFFICE	LEGAL FEES	1688.13
ALLEGRA DESIGN	OFFICE SUPPLIES	131.62
ARLINGTON INSURANCE	FINANCE OFFICE BOND	556.50
CITIZENS STATE BANK	ACH PAYROLL AND UTILITY FILE FEES	20.00
CORNER MARKET	OFFICE SUPPLIES	63.96
ELO PROF. LLC	AUDIT EXPENSE	10469.00
GREAT AMERICA	COPIER LEASE	190.51
HAMLIN COUNTY REPUBLICAN	PUBLISHING	261.62
INNOVATIVE OFFICE SOLUTIONS	OFFICE SUPPLIES	430.21
ITC	UTILITIES	286.97
LOGAN KOOL	MILEAGE REIMBURSEMENT	196.86
NORHTWESTERN ENERGY	UTILITIES	108.33
OFFICE PEEPS	OFFICE SUPPLIES	54.80
OTTERTAIL	UTILITIES	2929.25
STAR LAUNDRY	RUG RENTAL	153.12
VISA	FINANCE/MAINT SUPPLIES/TRAVEL	1648.38
HAMILN COUNTY AUDITOR	POLICE CONTRACT	4566.97
GERHOLD BROTHERS	STREET SNOW REMOVAL	2091.00
HIGHWAY IMPROVEMENT	STREETS REPAIRS	14999.55
JOHN SCHMIT	CELLPHONE REIMBURSEMENT	30.00
LESLIE TVEDT	MAILBOX REIMBURSEMENT	64.95
NORHTWESTERN ENERGY	UTILITIES	34.91
RON'S SAW SHOP	STREETS REPAIRS	112.72
BASS SANITATION	SANITATION SERVICE FEES	4980.00

SOUTH DAKOTA DEPT OF REV	SANITATION SALES TAX	344.05
DAKOTA DUMPSTERS	UTILITIES	663.88
JW ROLL OFF SERVICE	UTILITIES	820.40
CASTLEWOOD CEMETERY	TREE REIMBURSEMENT	300.00
CORNER MARKET	PARK/REC SUPPLIES	878.87
DAVID WERNKE	TREE REIMBURSEMENT	200.00
CRAIG HORN	PARK/REC SUPPLIES	207.30
JAN SCHIERNBECK	TREE REIMBURSEMENT	199.96
JASON TVEDT	TREE REIMBURSEMENT	200.00
JESUS ALVARADO	TREE REIMBURSEMENT	200.00
LYNN BORER	TREE REIMBURSEMENT	156.72
MANDY SIMPSON	TREE REIMBURSEMENT	179.69
ROY'S SPORT SHOP	REC SMALL EQUIPMENT	179.99
SHIPS INN	RECREATION SUPPLIES	110.00
TAMMY LARSON	TREE REIMBURSEMENT	200.00
CASTLEWOOD BUILDING	PARK IMPROVEMENTS	698.10
CASTLEWOOD ELEVATOR	PARK SUPPLIES	124.07
CORY AKIN	SOFTBALL REIMBURESEMENT	400.00
GERHOLD BROTHERS	PARK IMPROVEMENTS	3622.26
KIBBLE EQUIPMENT LL	PARK REPAIRS	911.79
MENARDS	PARK IMPROVEMENTS	517.55
PERSONA	PARK IMPROVEMENTS	1061.94
WATERTOWN WHOLESAL	PARK SUPPLIES	205.47
BARNES & NOBLE, INC	LIBRARY SUPPLIES	11.96
JAN SCHIERNBECK	LIBRARY RENTALS	22.29
FIRST PREMIER BANK	LIBRARY RENTALS	150.00
BREANNA BEEBE	CONFERENCE REIMBURSEMENT	352.70
RON & TAMMY WHITE	ECONOMIC DEVELOPMENT GRANT	5000.00
GENERAL FUND TOTAL		82950.45

WATER FUND

BANNER	WATER - FEES	1342.50
HAWKINS, INC	WATER - SUPPLIES	1855.75
MINNESOTA VALLEY TESTING	WATER - FEES	1771.00
OTTERTAIL	WATER - UTILITIES	119.58
OTTERTAIL	WATER - UTILITIES	35.65
P/3 ELECTRIC	WATER - REPAIRS & MAINTENANCE	530.00
SOUTH DAKOTA RURAL	Water - Loan Principal	487.89
SOUTH DAKOTA RURAL	Water - Loan Interest	749.11
WATER FUND TOTAL		6891.48

SEWER FUND

BANNER	SEWER OTHER	1122.50
DAKOTA PUMP & CONTROL	SEWER REPAIRS & MAINTENANCE	5581.14
GREEN APPLE SEPTIC	SEWER REPAIRS & MAINTENANCE	3030.50
OTTERTAIL	SEWER - UTILITIES	339.14
WELLS FARGO	SEWER - LOAN PRINCIPAL	2415.96
WELLS FARGO	SEWER - LOAN PRINCIPAL	3730.48
WELLS FARGO	SEWER - LOAN INTEREST	311.80
WELLS FARGO	SEWER - LOAN INTEREST	32.75
SEWER FUND TOTAL		16564.27

GOLF FUND

WAGES	PAYROLL	14856.12
AUTO VALUE	GOLF REPAIRS & MAINTENANCE	80.79
BASS SANITATION	GOLF UTILITIES	400.00
BROOKINGS REGISTER	Golf Services & Fees	119.00
CASTLEWOOD LOCKER	Golf Food	615.54
CASTLEWOOD ELEVATOR	GOLF SUPPLIES	225.68
CHESTERMAN (COKE)	GOLF POP	150.00
CORNER MARKET	Golf Food	768.52
CORNER MARKET	GOLF POP	768.51
DAKOTA PORTABLE TOILETS	Golf Services & Fees	195.00
DAKOTA TOBACCO	GOLF TOBACCO	210.20
DOUGS SERVICE & MARINE	GOLF REPAIRS & MAINTENANCE	1094.57
ELLWEIN BROTHERS	Golf Beer	3335.55
PHOENIX GOLF PRODUCTS	GOLF EQUIPMENT PURCHASED	149.84
HD ELECTRIC	GOLF UTILITIES	1030.36
HILLYARD	GOLF EQUIPMENT PURCHASED	698.76
ITC	GOLF UTILITIES	163.65
JOHSON BROS OF SD	GOLF LIQUOR	998.17
NB GOLF	Golf Services & Fees	904.00
OFFICE PEEPS	GOLF SUPPLIES	47.42
P/3 ELECTRIC	GOLF REPAIRS & MAINTENANCE	1237.00
PORTER DISTRIBUTING	Golf Beer	1880.25
REPUBLIC NATIONAL DISTRIBUTING	GOLF LIQUOR	251.70
SOUTH DAKOTA DEPT OF REV	GOLF SALES TAX	3375.36
SOUTHERN GLAZIERS	GOLF LIQUOR	121.40
VGM FINANCIAL SERVICES	Golf Services & Fees	420.30
VISA	GOLF SUPPLIES	706.37
WATERTOWN WHOLESALE	GOLF CANDY	1355.60
WINSUPPLY	GOLF REPAIRS & MAINTENANCE	371.64
ZIMCO	GOLF SUPPLIES	360.00
GOLF FUND TOTAL		38054.61

Mayor Report. Rubber chips at playground that were staining shoes and clothing will be replaced at no cost to the city with a different color that will not stain. The next regular scheduled council meeting will be Monday, August 7th at 7 p.m. and Wednesday, September 6th due to the Labor Day Holiday. A refund to Ron White for his building permit last year will be issued as the fee was supposed to be waived due to the tornado.

Finance Report. Kool needed more time with the bank reconciliation due to outstanding deposits over the Fourth of July Holiday, she will send an update to council when completed.

Maintenance Report. J. Schmit explained one of the city's main well went down in June and some experienced weak water pressure but that issue should now be resolved. J. Schmit has plans to flush water lines in the near future and talked about the status of the water projects, contractor's have broken ground and road closed signs have been dispersed. J. Schmit was concerned about some of the road closures in work areas and wanted to see some road closed ahead signs.

Golf Report. The course had a big weekend over the Fourth of July holiday, Gerhold explained. He touched on running out of water but that the recent rains have helped counter that. Gerhold wanted to recognize both clubhouse and greens keeping employees for doing a great job.

Councilman Beau Schooley joined the meeting at 7:10 p.m.

Josh Spilde Development. Josh Spilde attended the council meeting for a status update on the city's end for everything that needs to happen before his project can move forward. Spilde explained that it has been 60 days since he has been to Castlewood and that the septic tank ordinance still had not been changed. He would like that ordinance changed before he spends more money on his end working to meet all of the city's requirements for a PUD. Spilde recommended the council appoint a council member to sit down with him and hammer out the rest of the details regarding restrictions and covenants in a PUD, Schooley volunteered to do so. The Mayor explained that the city is reworking their entire zoning ordinance and that needed to be completed before we moved forward with any big developments. The Mayor thought the septic tank ordinance and the rest of the city's zoning ordinance could be completed and updated by October. Spilde would be back to the October council meeting for an update.

Adam Rudebusch Moving Permit. Rudebusch attended the council meeting seeking a moving permit for Brenda Boyd's old house on Pearl Street, he provided a certificate of liability insurance from Milbank House Mover's. The anticipated move date would be between August 21 thru August 24th, Rudebusch submitted a building permit and payment for the house move prior to the council meeting. A motion was made to approve the moving permit by Bohls and seconded by Goldhorn. All members present voting aye and the motion passed.

2nd Reading Shop House Ordinance. A motion was made to approve the 2nd reading of the shop house ordinance by Dufek and seconded by Schooley, all members present voting aye and the motion passed.

Economic Development Grants (J. Barrett, R. White) & Criteria Discussion. Joey Barrett's grant was tabled at the previous council meeting to make sure he was not already issued a grant previously, Kool confirmed he did not receive any money from the City. A motion was made to issue the \$5,000.00 check to Joey & Michelle Barrett by Goldhorn and seconded by Schooley, all members present voting aye and the motion passed. Kool felt some guidelines for the housing grant in particular needed to be discussed

as there has been a lot of building lately and a big development potentially coming to town and the city could be on the hook for a substantial amount of grant money. A motion was made to abolish the economic development housing grant effective immediately by Dufek and seconded by H. Schmit, all members present voting aye and the motion passed. The Mayor would talk to the economic development board about ideas for a new housing grant program and criteria.

Other Old Business. H. Schmit inquired about the status of the employee handbook, Kool and the Mayor explained the attorney had provided his insight and notes on the handbook. Updates to the handbook would be discussed at the next council meeting. Discussion was held on sidewalk replacement due to the water projects, the council spent additional money need not be spent on repairing old sidewalks as there aren't many left in town. Discussion was also held on J. Schmit's sewer and water certificate requirements set by the state of SD. Currently the city is out of compliance as they do not have a certified water and wastewater operator on staff. J. Schmit would be attending classes throughout the rest of the year and in to next year to obtain those certificates. In the meantime, the Mayor suggested the city contract with Sioux Rural Water and Ryan Sikkink for their certified operator status's to remain in compliance while J. Schmit completes his training. A motion was made to have conversations and draft contracts with SRW and Ryan Sikkink by Schooley and seconded by Goldhorn, all members present voting aye and the motion passed. The new color of the water tower was also discussed and council decided on all one color in a shade of light blue.

Mcelhany Building Permit. Joan Mcelhany provided council with a letter asking for an extension on a building permit at 702 1st ave N where a foundation had been poured for a couple of years already. The request for the extension was due to the passing of James and they are in the process of getting things switched over regarding the affairs of the property. Council did not vote to extend the building permit as they needed more information on the plans for this property, the building permit had been extended previously but has sat dormant for quite some time.

Market Street/5th Ave Repair Quote. The Market Street and 5th avenue intersection repair quote was tabled for a later date as the water systems improvement project continues and roads are repaired in the process.

Community Center Landscaping. Weeds in the landscaping in front of the community center continue to be a problem, the plastic under the rock may need to be replaced. A quote would be requested from Case Wiarda.

Variance Requests/Tornado Damage. A motion was made to end variance requests and waived building permits due to the tornado effective 09/30/2023 by Bohls and seconded by Schooley, all members present voting aye and the motion passed.

Castlewood Days Fireworks. The city's fireworks were cancelled on the third of July as the weather did not hold up. A motion was made to reschedule the fireworks for the Saturday night of Castlewood days by Dufek and seconded by Goldhorn, all members present voting aye and the motion passed.

KXLG On the Road. A motion was made to advertise with KXLG on the road the Friday of Castlewood days by Dufek and seconded by Bohls, all members present voting aye and the motion passed.

Ball Field Budget. The Mayor explained the status of the dugout replacements and improvements at both the softball and baseball fields. There was \$30,000 in the budget for park improvements and an

insurance check of \$12,000, for a total of \$42,000 to be spent at the ball fields. Roughly \$21,000 has been spent and there should be enough money to complete both projects.

2024 Budget. Kool provided council with 2023 budget expenditures and revenues to date which showed the city was ahead of their anticipated numbers in almost every category. A first reading of the 2024 budget would take place on September 6th, Bohls and Dufek volunteered to form a committee on the 2024 budget.

Investment Report. Kool provided council with the 2nd quarter ending investment report. Interest rates were strong with First Premier at 3.04% and Citizen's at 2.10%.

Building Permits. Building Permits, 305 E Main (fence), 212 E Merrill St (garden shed), 309 E Alice (replacing fence tornado took), 316 E Merrill St. (new front deck, back deck, siding, brick on foundation), 310 east prairie (turned old fish shack into garden shed), 210 2nd Ave S (repairing 2nd story after tornado damage), Ken Mack lot behind city building (no address, fence), 302 E Market Street (replacing funeral home), 402 E Prairie Street (replace/expand deck, replace fence taken by tornado).

SRW Contract. Sioux Rural Water submitted a new contract with the city that increased gallons allowed per day from 150,000 gallons at \$4.55 to 170,000 gallons at \$4.65. This change would be to counter if the city did happen to go over 150,000 gallons in a day. Travis with SRW should be attending the August council meeting to discuss further.

Executive Session Personnel SDCL 1-25-2(3). A motion was made to go into executive session at 8:33 p.m. by H. Schmit and seconded by Bohls, all members present voting aye and the motion passed. The Mayor declared council out of executive session at 8:44 p.m.

A motion was made to adjourn at 8:50 p.m. by Dufek and seconded by H. Schmit, all members present voting aye and the motion passed.

Logan Kool
Finance Officer