

September 6, 2023 Meeting Minutes

The Castlewood City Council met on the above date at 7 pm with the following members present: Mayor Brian Ries, Jeanette Bohls, Heather Schmit, Stef Goldhorn, LeeAnne Dufek and Chad Ries. Also present: Logan Kool, John Schmit, Justin Bucher & Don Weigel of Banner via teams, Todd Kays of First District, Kelly & Amy Haug, Lonny Junker, Shane Mack, Jamie Riley and Officer Tayt Alexander. Absent Beau Schooley.

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 removal of economic development board and water/sewer operator contracts items was made by Dufek and seconded by H. Schmit, all members present voting aye and the motion passed.

Justin Bucher with Banner the city's engineering firm spoke at public comment via Teams. An update was given for the Prairie Street road widening project, cost estimates came in much higher than originally anticipated at \$150,000 to \$200,000 and the project would not be completed this year. Justin suggested the City work with Banner on a Capital Improvement Plan for infrastructure projects and include Prairie Street. The City also had the option to abandon this project altogether.

A motion was made to approve August meeting minutes by Bohls and seconded by H. Schmit. All members present voting aye and the motion passed.

A motion was made to approve the bills for September with the addition of cellphone reimbursements for the Mayor and J. Schmit of \$30.00 as well as square merchant fees for the golf course of \$933.23 in August by Dufek and seconded by C. Ries. All members present voting aye and the motion passed.

General Fund

WAGES	PAYROLL	14976.48
BRIAN RIES	CELLPHONE REIMBURSEMENT	30.00
CITIZENS STATE BANK	ACH PAYROLL UTILITY FEES	20.00
CONNECTING POINT	COMPUTER SOFTWARE	10500.00
GREAT AMERICA	COPIER LEASE	104.39
HAMLIN COUNTY REPUBLICAN	PUBLISHING	208.15
ITC	UTILITIES	305.08
NORHTWESTERN ENERGY	UTILITIES	97.27
OFFICE PEEPS	FINANCE OFFICE SUPPLIES	191.45
OTTERTAIL	UTILITIES	2586.27
VISA	FINANCE STREETS SUPPLIES	946.20
WATERTOWN WHOLESALE	SUPPLIES	215.00
DAKOTA PORTABLE TOILETS	PARKS RENTAL	1235.00
STAR LAUNDRY	RUG RENTAL	76.56
GLACIAL LAKES TOURISM	ADVERTISING	462.00
HAMILN COUNTY AUDITOR	POLICE CONTRACT	4008.33
BANNER	STREET SERVICES & FEES	858.60
BILL RUBY	MAILBOX REIMBURSEMENT	35.88
ESTELLINE COOP	STREETS, PARKS REPAIRS/MAINT	753.54

JOHN SCHMIT	CELLPHONE REIMBURSEMENT	30.00
POPHAM CONSTRUCTION	STREET SWEEPING	1000.00
RON'S SAW SHOP	STREETS REPAIRS & MAINT	236.16
SD ONE CALL	STREET SERVICES & FEES	18.90
BASS SANITATION	SOLID WASTE COLLECTION	4980.00
SOUTH DAKOTA DEPT REV	SANITATION SALES TAX	326.86
DAKOTA DUMPSTERS	RUBBLE SITE ROLL OFF	787.57
CODE ENFORCEMENT		
SPECIALISTS	CODE ENFORCEMENT FEES	316.10
RUTH FODNESS	TREE REIMBURSEMENT	39.91
CASTLEWOOD BUILDING	PARK IMPROVEMENTS	34.40
CASTLEWOOD ELEVATOR	PARK SUPPLIES	9.87
CORNER MARKET	PARK SUPPLIES	89.01
ESTELLINE COOP	PARK FUEL	164.59
STACY SMITH	PARKS REIMBURSEMENT	87.05
BARNES & NOBLE, INC	LIBRARY SUPPLIES	298.36
CHRISTIAN BOOKS	LIBRARY SUPPLIES	100.04
FIRST PREMIER BANK	LIBRARY RENTALS	150.00
JAN SCHIERNBECK	LIBRARY SUPPLIES	9.61
THE LIBRARY STORE	LIBRARY SUPPLIES	25.14
JON & TIFFANY BARTH	ECONOMIC DEVELOPMENT GRANT	5000.00
KEVIN MEYER	ECONOMIC DEVELOPMENT GRANT	5000.00
GENERAL FUND TOTALS		56313.77

WATER

605 COMPANIES INC	WATER - IMPROVEMENTS	109496.25
BANNER	WATER - FEES	20576.15
LIBBY CARPENTER	WATER - DEPOSIT REFUND	17.62
COLOR DYNAMICS	WATER - IMPROVEMENTS	73866.78
DAKOTA PORTABLE TOILETS	WATER RENTALS	255.00
DAKOTA SUPPLY GROUP	WATER - REPAIRS & MAINTENANCE	99.73
HAWKINS, INC	WATER - SUPPLIES	3763.86
OTTERTAIL	WATER - UTILITIES	948.28
SOUTH DAKOTA RURAL	Water - Loan Principal	489.86
SOUTH DAKOTA RURAL	Water - Loan Interest	747.14
VISA	WATER - FEES	72.18
WATER FUND TOTALS		210332.85

SEWER

OTTERTAIL	SEWER - UTILITIES	131.14
SEWER FUND TOTALS		131.14

GOLF

WAGES	PAYROLL	14515.37
CASTLEWOOD LOCKER	Golf Food	1768.81
CASTLEWOOD ELEVATOR	GOLF SUPPLIES	252.10
CHESTERMAN (COKE)	GOLF POP	75.00
CORNER MARKET	Golf Food	366.15
CORNER MARKET	GOLF POP	481.63
DAKOTA PORTABLE TOI	Golf Services & Fees	195.00
DAKOTA TOBACCO	GOLF TOBACCO	157.65
DOUG GERHOLD	GOLF REPAIRS & MAINTENANCE	67.71
DOUGS SERVICE & MARINE	GOLF REPAIRS & MAINTENANCE	74.11
ELLWEIN BROTHERS	Golf Beer	3507.00
ESTELLINE COOP	GOLF REPAIRS & MAINTENANCE	1624.57
FERGUSON WATERWORKS	GOLF REPAIRS & MAINTENANCE	215.94
HAMLIN COUNTY REPUBLICAN	Golf Services & Fees	100.00
HD ELECTRIC	GOLF UTILITIES	996.38
ITC	GOLF UTILITIES	163.50
JOHSON BROS OF SOUT	GOLF LIQUOR	842.31
NB GOLF	GOLF OTHER	744.00
PORTER DISTRIBUTING	Golf Beer	269.65
ROCHELLE RUDEBUSCH	GOLF SUPPLIES	74.30
SOUTH DAKOTA DEPART	GOLF COURSE SALES TAX	2702.20
SOUTHERN GLAZIERS	GOLF LIQUOR	113.25
VGM FINANCIAL SERVI	Golf Services & Fees	420.30
VISA	GOLF SUPPLIES	294.00
VISA	GOLF EQUIPMENT PURCHASED	339.76
WATERTOWN WHOLESAL	GOLF SUPPLIES	234.24
WATERTOWN WHOLESAL	GOLF CANDY	1803.26
GOLF FUND TOTALS		32398.19

Mayor Report. None.

Finance Report. Kool provided council with the bank reconciliation for August to show that the accounting software accurately reflects the bank statements. Dufek requested that wages by name be included in future finance reports.

Maintenance Report. J. Schmit stated the water tower is now full after a safe bacterial test. 605 Companies ran into some issues on 2nd avenue requiring a change order. J. Schmit anticipates 1st and 2nd avenue to be wrapped up this week into next week and then they will move over to the small section on the golf course road.

Shane Mack Plat. Todd Kays explained the City's subdivision ordinance requires a review of all plats within a mile of city limits and approval by planning commission and city council. Kays drafted a waiver of right to protest annexation to be signed by Shane Mack that will be recorded with the plat if the city wants to annex the property in the future currently located outside of city limits in Hamlin County.

The Mayor called to order the City of Castlewood Planning Commission acting jointly as the Castlewood City Council. A motion was made to approve Smack's Addition plat located in the east half of the southwest quarter of section 36, township 115 north, range 52 west of the 5th p.m. Hamlin County, SD by C. Ries and seconded by Goldhorn. All members present voting aye and the motion passed. Planning Commission was adjourned.

The Castlewood City Council reconvened. A motion was made to approve Smack's Addition plat located in the east half of the southwest quarter of section 36, township 115 north, range 52 west of the 5th p.m. Hamlin County, SD by C. Ries and seconded by Goldhorn. All members present voting aye and the motion passed.

Ordinance Review. Kays asked council if they had any questions on the new zoning Ordinance 23-17. Dufek inquired if the golf course lots were going to be included in a PUD to continue to allow septic tanks be used out there, Kays would include them in a PUD at the 2nd reading. Discussion was had on fences over five feet adjacent to commercial property. Bohls inquired if fee schedules would be increasing for building permits, variances etc. Kays stated we would tackle that at a later date.

1st Reading Ordinance 23-17. A motion was made to approve the 1st reading of Ordinance 23-17 by H. Schmit and seconded by Dufek. All members present voting aye and the motion passed.

Set 2nd Reading Ordinance 23-17 Date. Wednesday, September 20th at 7 p.m. will be the public hearing and second reading of Ordinance 23-17.

311 E Main Variance & 206 Alice Building Permit Extension. Sherwin and Shelly DeKam could not be present at the meeting due to an illness. They requested a 4.5 foot variance at 311 E Main on the rear yard to build on the existing foundation of a garage taken by the tornado. City ordinance requires accessory structure be placed 3 feet in from the property line and the extra 18 inches would be for the overhang to project into the right of way as that was how it was built previously. A motion was made to approve the 4.5 foot variance by Bohls and seconded by Goldhorn. All members present voting aye and the motion passed.

DeKams requested an extension on their building permit from October of 2021 at 206 Alice Street as they were unable to complete the project due to the hike in building materials prices during the pandemic. A motion was made to approve the building permit extension for 206 Alice Street by C. Ries and seconded by Goldhorn. All members present voting aye and the motion passed.

314 E Alice Variance. Kelly and Amy Haug were present to request a 4.5 foot variance on the rear yard at 314 E Alice and build on the existing foundation for a garage taken by the tornado. Haug's had roughly a foot to work with from the existing foundation to the alley therefore they would need a 2 foot variance on the rear yard and an additional 18 inches for the overhang to project into the alley. A motion was made to approve the variance at 314 E Alice by Dufek and seconded by C. Ries, all members present voting aye and the motion passed. Discussion was had about building permits needing to be started within 90 days of the issuance of the permit and completed within one year.

Vacating Third Avenue Outlot E. Jamie Riley was present at the meeting as well as Lonny Junker and Tayt Alexander, landowner's adjacent to Outlot E. Riley attempted to obtain signatures from all adjacent landowner's but was unable to obtain one signature therefore council could not take action on vacating Outlot E as South Dakota law requires one hundred percent approval of all adjacent landowner's when

vacating a parcel of land. Riley explained her reasoning for vacating outlot E to be able to build her shop house in a similar spot where an existing shed sat prior to the tornado, she would need the additional land due to elevation concerns. Vacating Outlot E would block access to lots specifically the one on the corner of highway 22 and third avenue, DOT was contacted to see if the landowner could put an approach off of highway 22 and they would not be able to due to DOT spacing requirements. Kays with first district explained the city could deem Outlot E as surplus property to be purchased which would then go to a sealed bid process. Kays also explained utility mains lie underneath Outlot E and so it would not be beneficial to the city to give up that land. No action was taken on vacating Outlot E.

Preliminary Plat Approval 116 N Pine. Greg and Stephanie Dobbs were present at the meeting to discuss purchasing a 144' x 14' piece of land from their neighbors to the south Dale and Sharon Hattendorf to even out their lot lines. Kays explained both property owners would have to replat their entire properties to include the new parcel as the parcel could not be platted as a small section due to minimum lot requirements. Kool explained both plats of the two properties should be ready as well as the mylar documents from the surveyor at the Oct 2nd council meeting for approval.

Elevator Purchase Castlewood Industrial Park 2nd Addition Lots 4 & 5. The Castlewood Elevator submitted a bid of \$22,500 to purchase lots 4 & 5 of the Castlewood Industrial Park 2nd Addition. Discussion was had on the elevator purchasing the land and some council members wanted to hang on to the land for future development but the land could still be leased to the Elevator. A motion was made to deny the purchase of lots 4 & 5 Castlewood Industrial Park 2nd Addition by Dufek and seconded by H. Schmit. Roll call vote, Dufek yay, H. Schmit yay, Goldhorn yay, Bohls yay, C. Ries abstained. Motion to deny passed 4-0.

Water Systems Improvement Project Change Order. Don Weigel and Justin Bucher discussed with council the change order request from 605 Companies that would increase the bid price of the water system improvement project by \$2,560 for issues at 2nd avenue. A motion was made to approve the change order from 605 Companies by Dufek and seconded by H. Schmit. All members present voting aye and the motion passed.

315 E Merrill St Fence. Brandon and Kaylee Smith submitted a variance application to reconstruct their 6 foot fence taken by the tornado. Current city ordinance states any fence over 5 feet needs to be set back 40 feet from the right of way and Smith's were only 17 feet from the sidewalk. Smith's inquired if this item could be expedited due to publishing requirements so that they could start to rebuild, council explained it would have to meet publishing requirements and be heard at the October 2nd meeting where it could then be approved.

405 N 4th Ave Moved in Shed. Galen Swenson submitted a building permit application to move a new 8 x 12 storage shed into the right of way located northwest of his property. Current city ordinance requires accessory structures to be set in 3 feet from the property line, building permit application was denied the structure would have to comply with city ordinance.

Rollover CD's at First Premier. Breanna Beebe of First Premier provided council with an email on the city's five existing CD's which were only at 1.01% interest. She provided the penalty amounts if the city were to roll over the existing CD's to the new rates of 5.12%. A motion was made to approve rolling over all existing CD's to capitalize on the better interest rates and reduce the time to the maturity of the CD's by Bohls and seconded by Goldhorn. All members present voting aye and the motion passed.

Pearl Street Painting Update. Kool signed a bid proposal with Traffic Solutions in the amount of \$4,629.00 as council approved up to \$5,000 for this project. The letting date was August 14th and construction was to commence within 60 days. Kool had not heard back from Traffic Solutions on when they planned to get started but would provide an update when they do reach out.

Rudebusch House Move. House to be moved Thursday, 09/07 between 7:30 a.m. and 10:30 a.m. Pearl Street and 4th avenue would be opened back up as soon as possible.

Other Old Business. Noxious weeds at Castlewood Industrial Park 2nd addition lots 1-3, Kool was to send a letter to get those taken care of. Council inquired when the lead and copper project with the State of SD was to commence, Kool sent in the required paperwork due September 30th which included all addresses and account numbers. A mass mailing would be sent out soon.

1st Reading Appropriations Ordinance 23-18. A motion was made to approve the first reading of the 2024 appropriations budget ordinance 23-18 by H. Schmit and seconded by Dufek. All members present voting aye and the motion passed.

Holiday Décor for Streets. The deadline for tree reimbursements will be 10/31/23 the remaining money leftover from the Historical Society will be used for new décor to beautify the City of Castlewood for the holiday season.

Economic Development Grant-Meyer. A motion was made to approve the \$5,000.00 economic development grant for Kevin & Stacey Meyer by C. Ries and seconded by Goldhorn. All members present voting aye and the motion passed. Criteria for the ground rules of a qualifying business applying for this grant would be discussed at the Sept. 20th meeting.

Ad in Paper for Replacing Water Meters. The City of Castlewood is looking for a licensed plumber to replace roughly 20 old water meters with new meters. A motion was made to put an ad in the paper on replacing meters by C. Ries and seconded by H. Schmit. All members present voting aye and the motion passed.

Dogs Running at Large. Officer Tayt Alexander touched on an incident involving two dogs at 502 N 4th Ave who left their perimeter and bit another dog located at 408 E Prairie St. The owner of the bitten dog said that this was not the first incident. Officer Tayt explained the importance of these incidents on record via the city so that citations could be made for multiple incidents. Dogs within city limits could be deemed vicious after so many incidents and insurance, an enclosure and a muzzle could all be required for the dog to stay in city limits. The owner of a dog at 313 E Prairie St was also warned and cited a couple of times for their dog being loose.

City Website Quote. Upframe Creative submitted a quote for a new website for \$7,000.00 for the City of Castlewood. Council discussed to have Castle Arts, our current website maintenance vendor, put up some new content first as there was not money left in the 2024 budget for the new website, but something to look at down the road.

Utility Customer Delinquent Accounts. The Mayor and Finance Officer presented council with a plan to clean up some delinquent utility accounts by putting customers on a payment plan. If their balance due was between \$0 and \$300 they would have 3 months to get caught up and between \$300-\$600 6

months to get caught up, some finance charges could be waived or frozen depending on if required monthly payment plan amounts were made consistently.

Building Permits. All discussed above, Kool had a couple that she needed to approve yet.

Executive Session Personnel/Contracts. SDCL 1-25-2 (3,1). A motion was made to go into executive session at 9:45 p.m. by C. Ries and seconded by H. Schmit. All members present voting aye and the motion passed. Kool was asked to attend executive session and J. Schmit was dismissed. The Mayor declared council out of executive session at 9:58 p.m. A motion was made to hire Phillip Johnson as the City of Castlewood's certified water system operator at \$300/month and Ryan Sikkink as the certified sewer system operator at \$300/month by Bohls and seconded by Goldhorn. All members present voting aye and the motion passed.

A motion was made to adjourn at 10:02 p.m. by H. Schmit and seconded by C. Ries, all members present voting aye and the motion passed.

Logan Kool
Finance Officer