

April 1st, 2024 Meeting Minutes

The Castlewood City Council met on the above date at 7 pm with the following members present: Mayor Brian Ries, Heather Schmit, Stef Goldhorn, LeeAnne Dufek, Chad Ries, Jeanette Bohls and Beau Schooley. Also present: Logan Kool, John Schmit, Doug Gerhold, Lois & Rich Wiarda, Jerry & Robin Gerberding, Lonny Junker, Tom Mceldowney & 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 city dump made by H. Schmit and seconded by Bohls, all member's present voting aye and the motion passed.

There were no public comments.

A motion was made to approve the minutes for Feb. 7 & 28 and March 4 & 18 by H. Schmit and seconded by C. Ries, all members present voting aye and the motion passed.

A motion was made to approve the bills for April and the addition of the grocery store loan to Wilkinson Trust in the March bills, in the amount of \$70,507.03 by Dufek and seconded by Bohls. All members present voting aye and the motion passed.

GENERAL FUND

WAGES	PAYROLL	18219.17
CITIZENS STATE BANK	UTILITY & PAYROLL ACH FEES	20.00
ALLEGRA	FINANCE OFFICE SUPPLIES	149.01
CASTLEARTS	WEBSITE UPDATES	260.00
DELTA DENTAL	FINANCE GROUP INSURANCE	48.70
GREAT AMERICA	COPIER LEASE	109.67
HAMLIN COUNTY REPUBLICAN	PUBLISHING	289.57
ITC	UTILITIES	256.67
OTTERTAIL	UTILITIES	2250.56
VISA	FINANCE OFFICE SUPPLIES	466.18
WINWATER	FINANCE OFFICE COMP SOFTWARE	1120.08
DAKTRONICS INC	CITY SIGN REPAIR	16561.25
SDML	WORKMEN'S COMP	410.00
STAR LAUNDRY	RUG RENTAL	153.12
HAMILN COUNTY AUDITOR	POLICE CONTRACT	4008.33
BANNER	STREET SERVICES & FEES	65.00
ESTELLINE COOP	STREETS REPAIRS AND MAINT	302.21
NORHTWESTERN ENERGY	UTILITIES	13.61
VISA	STREETS SUPPLIES	737.96
BASS SANITATION	SOLID WASTE COLLECTION	4980.00
SOUTH DAKOTA DEPT OF REVENUE	SANITATION SALES TAX	326.86
ARLEY FADNESS	LIBRARY SUPPLIES	22.86
BARNES & NOBLE, INC	LIBRARY SUPPLIES	84.75
FIRST PREMIER BANK	LIBRARY RENTALS	150.00
KEVIN PRIBBENOW	NEW BUSINESS GRANT	5000.00

SD DEPT OF REVENUE	MALT BEVERAGE LICENSE	150.00
GENERAL FUND TOTALS		56155.56

WATER FUND

WAGES	PAYROLL	430.60
DAKOTA SUPPLY GROUP	WATER - REPAIRS & MAINTENANCE	192.19
DAKOTA SUPPLY GROUP	WATER - SUPPLIES	1147.20
HAWKINS, INC	WATER - SUPPLIES	960.25
MACK CONCRETE	WATER - REPAIRS & MAINTENANCE	425.00
OTTERTAIL	WATER - UTILITIES	246.21
SOUTH DAKOTA RURAL DEVELOPMENT	Water - Loan Principal	2475.33
SOUTH DAKOTA RURAL DEVELOPMENT	Water - Loan Principal	529.95
SOUTH DAKOTA RURAL DEVELOPMENT	Water - Loan Interest	252.43
SOUTH DAKOTA RURAL DEVELOPMENT	Water - Loan Interest	707.05
SD PUBLIC HEALTH	WATER - FEES	308.00
WINWATER	WATER - SUPPLIES	960.82
WATER FUND TOTALS		8635.03

SEWER FUND

WAGES	PAYROLL	322.95
OTTERTAIL	SEWER - UTILITIES	181.57
SEWER FUND TOTALS		504.52

GOLF FUND

WAGES	PAYROLL	4949.24
DELTA DENTAL	GOLF GROUP INSURANCE	48.70
ITC	GOLF UTILITIES	5.84
MACK CONCRETE	GOLF REPAIRS & MAINTENANCE	875.00
MENARDS	GOLF REPAIRS & MAINTENANCE	112.51
NB GOLF	GOLF SUPPLIES	454.30
HD ELECTRIC	GOLF UTILITIES	301.62
GOLF FUND TOTALS		6747.21

Mayor Report. None

Finance Report. Ruesink provided council with the bank reconciliation for March which was an accurate representation of the accounting software and there was no variance in reconciled vs. reported.

Maintenance Report. None

Golf Report. Gerhold anticipated opening at the end of the week as the weather warmed up. Hole number nine pond was in good shape as crushed concrete and rock were hauled in. Gerhold was going to purchase a water cooler for the maintenance shed and a small power washer to keep the equipment looking sharp. Gerhold would have ITC install wifi at the maintenance shed to run the new irrigation computer system and software.

Riley/Engels Sewer/Water Application. A motion was made to approve the Riley/Engels sewer and water application by C. Ries and seconded by Schooley, all members present voting aye and the motion passed.

Public Hearing Spilde Development Road Variance. Mayor Ries called the planning commission to order acting jointly as the Castlewood City Council and opened the joint public hearing on Spilde's road variance.

Mayor Ries explained current city ordinance required 32 foot roads and Josh Spilde was seeking a variance of 4 feet to have 28 foot roads in his proposed development on the northeast side of town.

The public was invited to speak on the road variance and Jerry Gerberding felt that the 28 foot road variance was adequate as most roads in town were not even that wide.

Mayor Ries closed the public hearing on Spilde's road variance.

A motion was made to approve the 4 foot road variance and allow for 28 foot roads in Spilde's proposed development by C. Ries and seconded by Dufek. Roll call vote Dufek yay, Bohls yay, C. Ries yay, Goldhorn nay, Schooley yay, H. Schmit nay, Mayor Ries nay. Motion fails the two thirds majority needed 4-3.

2nd Reading Spilde Addition rezone from Ag to PUD planned unit development. A motion was made to approve the 2nd reading of the Spilde Addition rezone from Ag to PUD by C. Ries and seconded by Bohls, all members present voting aye and the motion passed 6-0.

Spilde Developer's Agreement Discussion. Josh Spilde previously asked council to consider cost sharing the difference between a four and six inch pipe with him for phase one at an estimated \$33,000.00 to the city. He also asked them to consider paying for half of the meter pit at an estimated \$5,000.00 the the city and \$5,000 to Josh. A motion was made to approve a total of \$38,000.00 from the city to install the six inch pipe and the rest of the \$38,000 left over would be put towards the meter pit by Z. Ries and seconded by Dufek. Roll call vote, Dufek yay, Bohls yay, C. Ries yay, Goldhorn yay, Schooley yay, H. Schmit nay. Motion passes 5-1. Discussion on including a tax abatement for Spilde in the developer's agreement was discussed as well as the roads in the development having to be paved after on year and 6 lots were sold.

Wellness Center Update. Rich Wiarda and Jerry Gerberding spoke on behalf of the wellness center committee to present the new proposed layout of the wellness building set to break ground this summer. The committee added an auxiliary gym with extra funding available and wanted the cities blessing on the layout. Rich Wiarda explained that the committee intended to hand over a fully operational wellness center to the city to smooth the transition. The committee still had some funding to do this summer and Gerberding thought that it could be open as early as next spring if all goes according to plan. A motion was made to approve the new layout of the wellness center by C. Ries and seconded by Bohls. Roll call vote, Dufek yay, Bohls yay, C. Ries yay, Goldhorn yay, Schooley yay, H. Schmit nay. Motion passes 5-1.

Other Old Business. Discussion was had on the city dump, J. Schmit stated Dakota Dumpsters roll offs worked out well last year and he would like to keep them. City council agreed and set a tentative opening date for Wednesday, April 24th from 5 to 7pm if the weather cooperated. City dump hours would remain the same, Wednesdays 5 to 7 and Saturdays 9-12 and there would be no exceptions on dumping outside of designated dump hours. Residents would have to provide proof of residence such as a driver's license or utility bill from the city. The city would advertise for a dump attendant and any persons interested should contact the city maintenance supervisor.

Harry Street/School Update. There had been previous discussions on the city vacating Harry street and it was decided that the school needed to put together a comprehensive parking plan for council review before a decision on vacating Harry Street was made. Ruesink updated council on the upcoming variance the school would need for their expansion on the southeast corner of the school. The school would need building permits by June and the council would consider a variance under the condition that the school was working to rezone to a campus district with the city.

Noise Permit Heyn Residence Graduation Day. A motion was made to approve the noise permit at 800 Golf View Drive for Saturday, May 11th until 11:59 p.m. by Bohls and seconded by Dufek, all members present voting aye and the motion passed.

Golf Course Employees. A motion was made to approve previous golf course hires Jim Janssen, Neil Dvorak, Rochelle Rudebusch, Randy Holman, Baily Mack, Monique Haug, Mark Guudal, Melissa Prohl and new hire Will Aderhold by C. Ries and seconded by H. Schmit, all members present voting aye and the motion passed.

Industrial Lot Sale. A motion was made to approve the sale for \$8,000 per lot for lots 2 & 3 in the Castlewood Industrial Park 2nd Addition to Brock Forde by Schooley and seconded by C. Ries, all members present voting aye and the motion passed.

Drinking Water Report. A motion was made to approve the drinking water report by Dufek and seconded by H. Schmit, all members present voting aye and the motion passed.

Basin Dirt Work Contract. J. Schmit would like council to enter into a contract for digging up water lines on demand and fixing curb stops. Council told him to bring a couple quotes to the next meeting for them to approve.

Rural Water Mapping. A motion was made to approve the purchase of rural water mapping services at a cost of roughly \$4500.00 to document the cities water lines by Dufek and seconded by C. Ries, all members present voting aye and the motion passed.

SRW Building Road Bid. A motion was made to approve the SRW building road bid by Gerhold Bros. for \$9792.00 by Bohls and seconded by H. Schmit, all members present voting aye and the motion passed.

Bituminous Chip Seal Bid. J. Schmit presented council with Bituminous' chip seal bid for 2024, the same contractor that has done the chip sealing throughout the city in the past for \$69,114.00 that would include 2nd Avenue, Market St, Golf View Drive, Garvin Drive and W Main. Ruesink was to check the bidding law to make sure the city did not need to do a call for bids and a decision would be made at the next meeting.

Investment Report. Ruesink provided council with the first quarter 2024 investment report showing a total of \$2,982,683.83 in the bank, with 75% of the cities money at First Premier and 25% of the cities money at Citizen's State Bank.

2023 Annual Report. Ruesink provided council with the 2023 annual report for approval that is to be submitted to Department of Legislative Audit by May 31st. The city of Castlewood saw an increase in sales and contractor's excise tax revenues for the year 2023 but property taxes fell a little short as there were many abatements due to the tornado. The city received a lot of grant money from the tornado, the water projects and the fire department grant pass thru. Ruesink expects 2024 revenues and expenditures to continue to rise a bit but ultimately go back to normal after a couple of whirlwind years with large projects and the tornado. A motion was made to approve the 2023 annual report and submit to SD DLA by Dufek and seconded by H. Schmit, all members present voting aye and the motion passed.

First Premier CD's. A motion was made to roll all five cd's currently at First Premier set to mature on April 15th to another 7 month special at an interest rate of 5.01%, additionally \$200,000 was to be withdrawn from the checking account at First Premier and a CD opened at Citizens State Bank for their 10 month special at 5.01%. This motion was made by Bohls and seconded by Schooley. Roll call vote, Dufek yay, Bohls yay, C. Ries yay, Goldhorn yay, Schooley yay, H. Schmit abstained. Motion passes 5-0.

Northwest Energy Resolution 24-3. A motion was made to approve Resolution 24-3 that changed the name of Castlewood's gas distribution service, NorthWestern Energy to NorthWestern Energy Public Service Corporation by Dufek and seconded by H. Schmit, all members present voting aye and the motion passed.

Cat's Beer License Renewal. A motion was made to renew Cat's Corner Convenience malt beverage license by H. Schmit and seconded by Bohls, all members present voting aye and the motion passed.

Library Update. Jan Schiernbeck our city librarian kept track of library numbers from January 1 to March 13th. The library is still being used; 386 books were checked out and 124 patrons, including repeat customers, came through the library doors during that time frame.

Building Permits. 318 E Pearl new house, 402 E Pearl 6 foot privacy fence, 319 E Alice house demolition. Ruesink noted that the new fence ordinance no longer requires a fence over 5 feet to be set back 40 feet from the street line. Chain link fences no more than four feet tall are allowed in any front yard and privacy fences over 4 feet tall are allowed once the front yard ends and the side or rear yard begins, typically around 20 feet from the street line (the front yard setback in the residential district).

A motion was made to adjourn at 9:06 p.m. by H. Schmit and seconded by C. Ries, all members present voting aye and the motion passed.

Logan Ruesink
Finance Officer

