

# LEOLA CITY COUNCIL MEETING

November 7, 2016

The Leola City Council met in the Council Room of the Municipal Building on Monday, November 7, 2016. Mayor Doug Yost called the Meeting to order at 7:30 P.M. with the following Council Members present: Jackie Rau, Karl Moser, Dana Leibel, Shawn Patton and Michael Yost, along with the Finance Officer Kappes. Absent: Jon Mardian. Also present: Chief Dan Yost, Jeff Tschappat and Neil Geffre.

The October Council Minutes stand approved as published.

Council Member Leibel introduced the following resolution to transfer funds and moved for its adoption. Council Member Michael Yost seconded the same. All present Council Members voted in favor. Resolution 16-02 was read as follows:

## RESOLUTION 16-02 CONTINGENCY BUDGET TRANSFER

### BE IT RESOLVED #16-02 TRANSFER FROM CONTINGENCY BUDGET FUND

**WHERE AS**, insufficient appropriation was made in the 2016 adopted Budget for the following departments to discharge just obligations of said appropriations; and

**WHERE AS**, SDCL 9-21-6.1 provides that transfer be made by resolution of the board from the contingency appropriation established pursuant to SDCL 9-21-6.1 to other appropriations;

**THEREFORE BE IT RESOLVED** that the appropriation be transferred from the contingency budget to the following department budgets: **101 General Fund: Culture & Recreation**

101-45500-422 Library – Professional Services - 1,000.00

101-45120-426 Pool Fund – Supplies - 6,000.00

**101 General Fund: Development & Assistance**

101-46520-411 General Fund-Zoning – Wages – 1,000.00

**101 General Fund: General Government**

101-46310-432 General Fund-Government Buildings - 8,361.00

**Total Contingency Budget Transfer 16,361.00**

ATTEST:

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Candice Kappes, Finance Officer

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Doug Yost, Mayor of Leola

All Council Members voted in favor. Resolution 16-02 was duly adopted.

Council Member Leibel moved, with a second by Council Member Moser, to accept the Monthly Treasurer's Report. All present Council Members voted in favor. Motion carried.

The Council examined the following bills:

Police & Maintenance Salaried Payroll	November Salary & Benefits	3,131.16
Finance Office Salaried Payroll	November Salary & Benefits	3,601.22
Maintenance/Water & Sewer Dept. Payroll	November Salary & Benefits	3,104.79
Council Payroll	October Hours-C & M Citizen's Food Boxes Pay-P. Walz	18.41
Fill-in Maintenance Payroll	October Pick up Maintenance Hours-Ray Hartinger	372.27
Gov't Bldg. Payroll-Janitor	October Janitor Hours & Payroll Correction-J. Leibel	345.86
Library Payroll	October Librarians	725.65
Office Department Payroll	October Hours-J. Wimer	897.40
Zoning Payroll-Tschappat	October-Building Permits	64.59
AB Business Inc.	October Supplies	143.90
AmeriPride Service, Inc.	Mops, Deodorizers, etc. Library Bldg. Govt. Bldgs.	252.26
CompQuest Technology	Labor & Mileage - Professional Services	138.50
CorTrust Bank	Non-Sufficient Return Check Charge-October	4.00
Dependable Sanitation, Inc.	Garbage-City & Golf Course, Credit from Park, Pool & Ballfield	191.76
4DK	Labor to Disconnect Wire on Building to be demo	61.22
FEM Electric Association, Inc.	Electricity-Golf Course	83.59
Fire Safety First	Maintenance to Inspect & Recharge Fire Extinguishers	101.50
Gary's Engine & Repair, LLC	Grasshopper Blades	176.70
Geffdog Designs	6 Leola Police Caps-Police	110.00
Gene's Oil Company	October Gas & Diesel	1,159.66
Homestead Building Supply	Supplies & Material for Addition to Shop	11,390.67
Kappes, Candice	Split Mileage & Expense SDML Conference in Rapid City	269.96
Kappes, Candice	Reimbursement of Additional Insurance Deductible	750.00
Lien Transportation	Hot Mix for Sewer	650.18
Leola Public Library	Reimbursement for Books	41.96
McPherson County Herald	Advertising, Notice & Publishing	168.82
McPherson County Highway Dept.	Labor & Equipment Use	8,597.24
Milbank Winwater Works	Water Supplies & DOT Meter & Supplies	879.88
MDU	Electricity After Refund	942.53
North Central Farmers Elevator	Miscellaneous Merchandise & Shop Labor	137.74
Rod Hoffman Construction	2 Curb Stops, Bldg. Demo & Mileage	835.00
Rural Development	55th Loan Payment-Sewer Project	4,021.00
South Dakota Association of Code Enforcement	2017 Membership Dues	40.00
South Dakota Assoc. of Rural Water System	Class B Membership Dues	345.00
South Dakota Building Officials Association	2017 Membership Dues	50.00
South Dakota Dept. of Revenue-Lab	Water Testing Sample	15.00
South Dakota Gov't Finance Officer Assoc.	2017 Membership Dues-Kappes & Wimer	70.00
South Dakota Municipal League	2017 City & Council Membership Dues	506.29
South Dakota Municipal League Work Comp	Fund Workers' Compensation Fund Insurance	2,411.00
South Dakota One Call	3rd Quarter Locates	45.15

South Dakota Police Chief's Assn.	2017 Membership Dues	95.64
Ten-45 Grocery	Supplies	16.77
Titan Machinery/Productivity Plus Account	Spindle Assy & Freight	140.60
Valley Telecommunications	Phones, Cell Phones, Faxing, Internet with Phone Credit	406.47
Walz, Pam	Book Reimbursement-Library	431.75
Walz, Pam	Reimbursement-Mileage - Food Baskets	33.60
WEB Water	October's Bill for September Water Use Minus WEB Certificate	4,145.07
Wimer, Jessica	Split Mileage & Expense SDML Conference in Rapid City	269.96
Wood, Joyce	Water Deposit Refund After Water Use	38.00

**REISSUED CHECK**

MDU Electricity 2,736.66

After discussion, Council Member Leibel moved, with a second by Council Member Moser, to approve the above bills. All present Council Members voted in favor. Motion carried.

Council Member Moser introduced the following Supplemental Appropriations Ordinance 16-03, to be read the 1st time and moved for its adoption. Council Member M. Yost seconded the motion. Upon roll call vote, all present Councilmen voted in favor. Motion carried. The first reading was held as follows:

**ORDINANCE NO. 2016-03  
SUPPLEMENTAL APPROPRIATIONS ORDINANCE**

Be it ordained by the City of Leola that the following additional sum is supplementally appropriated to meet the obligations of the municipality.

General Fund	
101-46000 Conservation & Development	
46610 Economic Opportunity-Development & School-Rural Development Grant Writer	
46610- 429 Other-Grant Match	7500.00
Total Development-Economic Opportunity-Development & School-Rural Development	\$7,500.00
Total General Government Appropriations-Grant Match Supplements	\$7,500.00
 Total GENERAL FUND Development Appropriations	 \$7,500.00
	=====
Source of Funding - Unassigned Fund Balance	\$7,500.00

\_\_\_\_\_  
Doug Yost, Mayor

ATTEST: \_\_\_\_\_  
Candice Kappes, Finance Officer

Public Hearing and second reading on the Ordinance 16-03 will be held at 7:45 P.M. on Monday, December 5, 2016, in the Council Room of the Municipal Building, at which time, any opposition may come before the Council.

Neil Geffre discussed problems he had with his sewer line and that the city's water line was hit due to the fact the water line wasn't where it was located. After discussion, Council Member Moser moved, with a second by Council Member M. Yost, to reimburse Neil Geffre \$3,549.41 for the cost to fix the water break due to the miss locate, adjusted by the cost of the asphalt. All present Council Members voted in favor. Motion carried.

A Public Hearing was held for a Special Events Liquor License Application for the Turkey Raffle to be held at the American Legion Hall on November 19<sup>th</sup>. No one present objecting to the approval the Special Events License, Council Member Moser moved to approve the license. Council Member Leibel seconded the motion. All present Council Members voted in favor. Motion carried.

The Council discussed the Restricted Use Site and the past decision that out of town rubble, etc. is not allowed in the City's Restricted Use site.

The Council discussed the need to get a yearly rotation on cleaning the city's sewer mains, the cost quoted per foot and mobilization fee to be charged. Council Member Moser moved, with a second by Council Member Leibel to clean a third of the town and Leola Avenue in the spring of 2017. All present Council Members voted in favor. Motion carried.

The Council decided to leave electricity on at the City Park until after Thanksgiving.

The Council discussed the 362100 gallons of water used at the football field to be billed.

The Council discussed a possible change order on the furnace for the Shop Addition. Increasing the shop heater from 75K BTU for \$1,810.21 to a 110K BTU heater for \$1962.52, which is still lower than the other bids. Council Member Patton moved, with a second by Council Member M. Yost, to approve the change order of \$152.31 to purchase the 110 K BTU heater. All present Council Member voted in favor. Motion carried. The Council discussed the progress on the addition.

The Council discussed possibly looking for a different city pickup. After discussion, Council Member Moser moved, with a second by Council Member Rau to replace the two tires needing to be replaced. All present Council Members voted in favor. Motion carried.

The Council examined the Monthly Library Report and Monthly Police Report.

October Building Permits Issued: Building Permit 16-49 Seth Ketterling, 16-50 Don Hoffman, 16-51 Tom Kappes, 16-52 Jessie Wimer, 16-53 Janelle & Kurt Kolb.

Council Member Moser informed the Council that the Modern Woodmen donation will come in two different checks for the park. The Council seen a picture of the picnic table donated for the park which is currently at the ballfield.

The Council discussed accumulation of comp time, vacation and sick leave and wording in the employee policy handbook is in need of revision. The fact Employees are to use comp time within 90 days of acquiring it was discussed, along with accumulating it by coming into work early. The Council instructed comp time to be used immediately.

The finance officer informed the Council the Overtime pay rule for salaried employees was explained the opposite way it was first explained so she spoke to the City Attorney for clarification on handling the new ruling.

Mayor Yost discussed the Credit Card Acquisition & Use policy drawn up by the finance officer and the agreement to be signed by himself and the finance officer. After consideration, Council Member Rau introduced the following resolution to transfer funds and moved for its adoption. Council Member Moser seconded the same. All present Council Members voted in favor. Resolution 16-03 was read as follows:

RESOLUTION NO. 16-03

CREDIT CARD ACQUISITION AND USE POLICY

**Whereas:** The Leola City Council determined that the City has a need for a credit card as authorized by SDCL 4-3-27,

**Now Therefore, Be It Resolved:** The Mayor and the Finance Office are hereby authorized to acquire and use credit card accounts for the purchase of certain necessities on behalf of and for the benefit of the City of Leola, in accordance with the policies set out below.

The credit card account shall only be used for the purchase of software updates, meeting registration, motel room guarantees, or other purchases that cannot be accomplished by the issuance of a purchase order and billed directly to the city to be processed in the normal warrant process, unless it is more economically advantageous to pay by credit card. Cards may be used to pay for pre-authorized purchases through the Internet, if it is the only means of payment accepted by the vendor. **All purchases must follow purchasing limit guidelines as set forth in employee personnel manual (proper approval for amount of purchase). Monthly credit limit per card holder shall not exceed \$1,000.00 in any statement period.**

**The card may not be used to pay for meals that qualify for reimbursement through per diem or for any item which does not directly benefit the City of Leola.**

The credit card accounts shall be administered by the Finance Office and the Mayor at all times, and may assign sub-administrators for certain departments to oversee the usage, limits, and processing for that department. In all cases where a credit card is used by any city employee original receipts, invoices or other authentic documentation stating what the card was used for shall be submitted to the designated administrator or sub-administrator. The designated person shall immediately verify the purchase was necessary and to the benefit of the City of Leola and submit the invoice to the Finance Office with appropriate account coding information. **Charges submitted to the Finance Office for payment without the proper documentation will not be processed and may become the responsibility of the employee through garnishment.** Personal use of the credit card is strictly prohibited. Misuse of credit card accounts or repeated failure to provide proper documentation will be the responsibility of the employee and will be considered grounds for disciplinary action up to and including termination and any restitution.

Any perks, credits or items of value earned because of the use of said cards shall only be used for the benefit of the City and not for that of any employee. Except, frequent flier credits may accrue to the employee/official actually incurring the credit, in accordance with Official Opinion No. 90-04 of the SD Office of the Attorney General.

Dated this 7th day of November, 2016

ATTEST:

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Doug Yost, Mayor

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Candice Kappes, Finance Officer

The Council discussed the City Office would be closed on November 18<sup>th</sup> due to Kappes and Wimer attending the SDML Election Workshop to be held in Pierre.

The Finance Officer informed the Council, that Hosmer's Vet will be at the city shop at 11:00 AM until 3:00 PM on Wednesday, December 7th to give rabies vaccinations. Dog Tags not issued before January 1<sup>st</sup> will be assessed the \$10.00 Late Change, those not issued before February 1<sup>st</sup> will pay the \$10.00 Late Fee plus the \$200.00 fine.

The finance officer informed the Council since no bids were received last month and this month interest was shown. The Council could still sell the lots, but would need to receive at least 90% of the assessment done prior to putting out for bids for up to a year, as stipulated in the bids, but didn't have to accept a 90% bid if they chose not to.

**Lots: Lots 19 & 20 Original Plat, 90% = \$1,125.00:** Lynette Mack contacted the office by phone and Cottonwood Farms in writing, showing interest in the city's surplus commercial lot described as Lots 19 & 20 Original Plat, but unable to attend the meeting and set up a call on speaker phone. In writing, it didn't include the stipulation of an approved structure built within three years as stated in the bid notice. After discussing this with Jerome Mack of his intent to purchase without the stipulation, the Council declined the sale without the stipulation.

**Lots: Lots 4 & 5 Block 5 in Turner Addition, 90% = \$450.00:** Tyler Bollinger contacted the office by phone with interest in the city's surplus but couldn't make the meeting and set up a call on speaker phone. After discussion, Tyler Bollinger was willing to pay the \$450.00 for Lots 4 & 5 Block 5 in Turner Addition with the stipulation of an approved structure built within three years as stated in the bid notice. Council Member M. Yost moved, with a second by Council Member Rau to approve the sale of Lots 4 & 5 Block 5 in Turner Addition with the stipulation of an approved structure within three years. All present Council Members voted in favor. Motion carried.

The Council discussed the previous streetlight put out by the Ten & 45. Natalie Dempsey is requesting for another streetlight. The light Dempsey had recently put in was discussed. Due the fact Dempsey did not attend, Council Member Rau moved, with a second by Council Member Leibel, to table the agenda item until a further study of the streetlights. All present Council Members voted in favor. Motion carried.

The Council discussed that Gayle & Steve Seibel were unable to attend and requested the banners be tabled. Council Member Moser moved, with a second by Council Member Patton, to table discussing banners until next spring. All present Council Members voted in favor. Motion carried.

Council Member Jackie Rau introduced the following resolution and moved for its adoption. Council Member Leibel seconded the same. Resolution 16-04 was read as follows:

RESOLUTION 16-04

RESOLUTION TO LEASE CITY OWNED PROPERTY

**WHEREAS:** SDCL 9-12-5.2 mandates any municipality that owns rental property and decides to lease this property for longer than One Hundred Twenty (120) days and fees for such lease will exceed \$500.00 per year, said municipality

shall by resolution of intent, and,

**WHEREAS:** the City of Leola owns such property (Medical Building) and,

**WHEREAS :** the City of Leola wants to lease such a property and such leases will exceed the One Hundred Twenty (120) days and the \$500.00 per year limit as set by SDCL 9-12-5.2 now, therefore

**BE IT RESOLVED:** That a Public Hearing shall be held on Monday, December 5th 2016 at 8:00 P.M. in the Council Room of the Municipal Building. Anyone or their attorney may appear before the City of Leola Council to show just cause.

**Attest:**

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Candice Kappes, Finance Officer

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Doug Yost, Mayor of Leola

All present Council Members voted in favor. Resolution 16-04 was duly adopted. No lease agreements were entered into at this time.

The Council discussed and set the City’s Christmas supper for Saturday, December 10<sup>th</sup> at the Municipal Building for the Council, employees and their spouse or date.

The Council set the Council’s Year-end Special Meeting for Monday, December 28th at 7:30 P.M. and moved the January 2<sup>nd</sup> Council Meeting until Monday, January 9th.

Council Member Rau moved, with a second by Council Member M. Yost, to grant the Finance Officer Kappes and Jessie Wimer permission to attend the Annual Report Workshop in Aberdeen on Thursday January 26<sup>th</sup>. All present Council Members voted in favor. Motion carried. The City Office will be closed on that day.

The Council discussed the water meters that are able to convert to auto read system options and estimated costs from HD and Metron. It was decided by the Council to hold off on discussion on auto read systems until the water study is completed.

Mayor Yost read a resignation letter received from Jackie Leibel. Council Member Rau, moved with a second by Council Member Patton, to accept the resignation of Jackie Leibel as janitor. All present Council Members voted in favor. Motion carried. The finance officer was instructed to advertise for the position.

The Council discussed the camera recording in the Municipal Building.

Council Member Rau presented Mayor Yost and the Council a Friends of 4-H Appreciation Certificate.

There being no further business, Council Member M. Yost moved, with a second by Council Member Rau, to adjourn. All present Council Members voted in favor. Motion carried.

The Leola City Council will meet again in regular session on Monday, December 5th at 7:30 P.M. and meet in the year-end Special Meeting on Monday, December 28th at 7:30 P.M.in the Council Room of the Municipal Building.

**ATTEST:**

\_\_\_\_\_  
Candice Kappes, Finance Officer

\_\_\_\_\_  
Doug Yost, Mayor of Leola

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