

**LEOLA CITY COUNCIL MEETING**

September 6, 2017

The Leola City Council met in the Council Room of the Municipal Building in regular session on Wednesday September 6, 2017 due to the Labor Day Holiday. Mayor Doug Yost called the Meeting to order at 7:30 P.M. with the following Council Members present: Jackie Rau, Dana Leibel, Jon Mardian, Richard Reis and Michael Yost, along with the Finance Officer Kappes. Absent: Jessica Lipke. Also present: Gayle and Steve Seibel, Keenan Stoecker, Denise Brandner, Brandon Smid of Helms & Associates, Jordan Hintz of Northeast Council of Governments, Chief Dan Yost and Jeff Tschappat. Others present: Loader dealership representation awaiting the loader bid opening.

Brandon Smid of Helms & Associates and Jordan Hintz of NECOG went over the information for the proposed Trail Grant Application for a total cost of \$261,000.00 for an approximate 32,000 foot trail. The trail will start from north of the school sidewalk on Leola Avenue with a five foot cement walk going north, switching to a eight foot asphalt trail to the lake. It would be a three year grant completion time with the Federal 81.95% match of \$213,889.50 and the City's local 18.05% match of \$47,110.50. Council Member Jessica Lipke and Natalie Dempsey joined the meeting. After further discussion, Council Member Michael Yost moved to introduce the following Resolution 2017-02 and moved for it adoption and authorized Mayor Yost to sign it and execute the Transportation Alternative Program Application. Council Member Reis seconded to approve Resolution 2017-02. All Council Members voted in favor. Motion carried.

**Resolution 2017-02**

**WHEREAS, the City of Leola proposes to construct an alternative use path; and**

**WHEREAS, the City of Leola intends on applying for financial assistance up to the amount of \$213,890 to complete the proposed project; and**

**WHEREAS, the project is eligible for the Transportation Alternative Program funds under the Moving Ahead for Progress in the 21<sup>st</sup> Century (MAP-21) Act.**

**NOW THEREFORE, BE IT RESOLVED that the proposed project will meet all local planning, zoning and ordinance requirements; and**

**THEREFORE, BE IT ALSO RESOLVED that the City of Leola supports the project and the submittal of an Transportation Alternative Program application; and**

**THEREFORE, BE IT ALSO RESOLVED that, if funded, the City of Leola will Provide local match of at least 18.05% of total project costs; and**

**THEREFORE, BE IT ALSO RESOLVED that the City of Leola agrees to maintain the project, if funded, throughout its useful life and that the City understands that a project maintenance agreement will be required by the South Dakota Department of Transportation and Federal Highway Administration; and**

**THEREFORE, BE IT ALSO RESOLVED that the City of Leola authorizes the Mayor to execute the Transportation Alternative Program application.**

Signed this 6<sup>th</sup> day of September, 2017.

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Doug Yost, Mayor

ATTEST:

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Candice Kappes, Finance Officer

Glenn Spitzer, McPherson County Highway Superintendent joined the meeting to discuss the spillway and the need of a hydrology study on the school and public lands spillway along with the approximate cost of \$10,000.00 to \$12,000.00. After discussion, Council Member Rau moved, with a second by Council Member Lipke, to go 50/50 on the cost share of the hydrology study which will hopefully alleviate the flooding out by the lake. All Council Members voted in favor. Motion carried. Spitzer also discussed one of the properties the County took for tax deed around the curve going from the south end of Leola Avenue curving to Sherman Street, being an actual drainage field. The Council agreed the City of Leola would accept the ownership of this property described as lots 7 & 8 block 6 in Pleasantview Addition by the curve and take over maintenance.

Brandon Smid, Helms & Associates and Jordan Hintz, Northeast Council of Governments left the meeting at 7:50 P.M. and Stanton Spitzer joined the meeting.

The Council discussed the water study paperwork emailed to Lucas Hoover from Helms & Associates and he will contact the city if more information is needed for the water study paperwork. Fire hydrants needing to be fixed by the County shed was discussed.

Council Member Mardian moved to approve the August meeting minutes. Council Member Leibel seconded the motion. All Council Members voted in favor. Motion carried.

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

The Council examined the following bills:

Police & Maintenance Salaried Payroll	September Salary & Benefits	3,244.21
Finance Office Salaried Payroll	September Salary & Benefits	3,699.06
Maintenance/Water & Sewer Dept. Payroll	September Salary & Benefits	3,187.73

Lifeguard Payroll	Lifeguard-Pool Hours	2,842.88
Council Payroll	3rd Quarter Meeting Pay	4,058.40
Zoning Board	3rd Quarter Meeting Pay	131.46
Fill-in Maintenance Payroll	August Pick up Maintenance Hours -R. Hartinger	237.45
Zoning Payroll-Reis	August-Building Permits, etc.	86.12
Library Payroll	August Librarians Hours	762.51
Council Payroll	August Hours-C & M Citizen's Food Boxes Pay-P. Walz	18.62
Gov't Bldg. Payroll-Janitor	August Janitor Hours-Zulma Velazquez	726.31
Weed Spraying Payroll	Spraying- Lagoon-Spitzer	129.01
AmeriPride Service, Inc.	Mops, Deodorizers, etc.	99.20
Beck Law Office	Attorney Fees	225.00
CorTrust Visa	250 Chocolate Badges & Shipping-Police	204.15
CorTrust Visa	Microsoft Office 365	106.49
Dependable Sanitation, Inc.	3 Months Garbage Service – Regular, East field, City & Pool Park	273.00
Gene's Oil Company	Unleaded Gas & Ag. Diesel	299.07
Homestead Building Supply	Supplies	54.35
Hutchins, Tracey	Reimbursement for Mileage-Mower Parts	33.60
Kamen Equipment Inc.	Pulley & Spindle Hub- Farm King	212.31
Kappes, Candice	Reimbursement for Mileage for Plat, Postage & Expenses	111.06
Leibel, Dana	Mileage & Expense to Pierre to Elected Official Meetings	168.50
Leola Public Library	Reimbursement for Books, DVDs & Supplies-August	163.51
Lien Transportation	Hot Mix	225.15
McPherson County Herald	Publishing	302.36
Montana-Dakota Utilities	Electricity	2,921.04
Moser Excavating & Trucking, LLC	Drainage Project	6,087.51
North Central Farmers Elevator	Miscellaneous Parts & Supplies	130.76
Rod Hoffman Construction	Labor Blading Streets, Taps-21st Century Tap & Fix Waterline-Park	645.00
Rural Development	65th Loan Payment-Sewer Project	4,021.00
South Dakota Assoc. of Rural Water System	Class B Membership Dues	345.00
South Dakota Dept. of Revenue-Lab	Lead & Copper & Coliform Water Testing	165.00
South Dakota Municipal League	Election Workshop Registration	25.00
Ten – 45 Grocery	Cleaning Supplies	46.19
Valley Telecommunications	Phones, Faxing & Internet & Security	484.54
Walz, Pam	Book & Supply Reimbursement	227.89
Walz, Pam	Reimbursement-Mileage-Food Baskets 33.60 with Correction	28.60
WEB Water	August Water	4,516.35
Yost, Daniel	Socket Rack	9.04
Yost, Michael	Expense to Pierre to Elected Official Meetings	32.00
<b><u>Expense Approved from August:</u></b>		
South Dakota Municipal League	Conference Registration-Rau, Kappes & Wimer	300.00
<b><u>Revised Expense in September:</u></b>		
South Dakota Municipal League	Conference Registration- Kappes & Wimer	200.00

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

Dillon Spurr came before the Council to discuss that he had two licensed working dogs who go to work with him every day and had come before the Council to request an exception to allow his girlfriend to move in with her dog. Council Member Michael Yost moved, with a second by Council Member Reis, to allow the third dog, but if one died it could not be replaced. All Council Members voted in favor except Council Member Rau. Motion carried.

Stanton Spitzer came before the Council to discuss spraying issues and that he was resigning from spraying. He also discussed the damage on Leola Avenue. The Council informed him Leola Avenue would be patched this year and chip sealed in 2018. Spitzer discussed trees needing to be trimmed coming off County Road 19 onto the state highway were affecting your visibility when pulling out on the highway. It's the property owners responsibility to trim the trees, if not the State DOT will be contacted. Other intersections with untrimmed trees in the boulevard were discussed.

At 8:15 P.M. Mayor Doug Yost opened multiple sealed loader bids from J. Gross Equipment, Midwest Equipment, Sheehan Mack, Mitzel & Son Inc., RDO Equipment, with representatives present from RDO, Sheehan and JGE. Jackie Hoffman, Gayle and Steve Seibel, Keenan Stoecker, Natalie Dempsey and Denise Brandner were also present for the bid opening. After discussing the loader bids which will be on file in the finance office, it was decided to table the bids.

The Council discussed the front footage and the fact the City Attorney spoke to the States Attorney of the state statute pertaining to taxing the front footage.

The Council discussed that Oban's had not been out to look at the cement to be crushed at the Restricted Use Site.

The Council discussed other tress branches hanging over the sidewalks along the state highway and that property owners are to maintain them or permission from DOT would be needed. The Code Enforcement Officer will be notified to make a list of properties needing tree trimming.

Dirt needed in holes on the elevator road was discussed.

Finance Officer Kappes informed the Council the lead & copper testing was completed, results were back and those property owner were notified of their results.

Public Hearing on Budget Ordinance 2017-03 was held with Jackie Hoffman, Gayle and Steve Seibel, Keenan Stoecker, Natalie Dempsey and Denise Brandner present. Questions about the police and golf course budget and amounts budgeted were addressed. The fact the budget is an estimated guess of what will be expended and not actual expense, along with the fact all organizations receiving donations or monies from the city are to turn in year year-end reports.

Council Member Leibel introduced the following Year 2018 Budget Ordinance 2017-03, to be read the second time and moved for its adoption. Council Member Mardian seconded the motion. Upon roll call vote, all Council Members voted in favor. Motion carried. The second reading was held as follows:

**ORDINANCE 2017-03  
CITY OF LEOLA  
2018 APPROPRIATION BUDGET**

**PART I:**

Be it ordained by the City of Leola, McPherson County, South Dakota, that the following sums are appropriated to meet the obligations of the Municipality.

<b>GOVERNMENTAL FUND</b>	<b>FUND AMOUNTS</b>	<b>TOTALS</b>
<b><u>TOTAL GENERAL FUND-100</u></b>		
<b>101-41000 GENERAL GOVERNMENT</b>		
41150 Contingency	22,628.00	
41200 Mayor & Council	25,200.00	
41300 Elections	1,000.00	
41410 City Attorney	2,000.00	
41420 Finance Office	50,900.00	
41450 Insurance	40,000.00	
41470 Unemployment	100.00	
41490 Government Buildings	40,700.00	
<b>101-41000 TOTAL GENERAL GOVERNMENT</b>		<b>182,528.00</b>
<b>101-42000 PUBLIC SAFETY</b>		
42100 Police	45,500.00	
42200 Fire-Siren	500.00	
42300 Protection & Inspection-Code Enforcement	4,100.00	
<b>101-42000 TOTAL PUBLIC SAFETY</b>		<b>50,100.00</b>
<b>101-43000 PUBLIC WORKS</b>		
43100 Streets	91,500.00	
43200 Sanitation	6,425.00	
<b>101-43000 TOTAL PUBLIC WORKS</b>		<b>97,925.00</b>
<b>101-44000 PUBLIC HEALTH</b>		
44130 West Nile Fund	2,800.00	
44620 Ambulance-EMT'S	100.00	
<b>101-44000 TOTAL PUBLIC HEALTH</b>		<b>2,900.00</b>
<b>101-45000 CULTURE &amp; RECREATION</b>		
45110 Golf Course	12,000.00	
45120 Pool	39,800.00	
45130 Rhubarb Committee	500.00	
45140 Senior Citizens	100.00	
45150 School Alumni Committee	100.00	
45160 Celebration & Fireworks Association	1,050.00	
45220 Ball Diamond-Fields &Athletic Assoc.	3,000.00	
45230 Parks	39,450.00	
45500 Library	18,600.00	
45700 Historical Preservation-Museum	100.00	
<b>101-45000 TOTAL CULTURE &amp; RECREATION</b>		<b>114,700.00</b>
<b>101-46000 CONSERVATION &amp; DEVELOPMENT</b>		
46310 Lot Redevelopment	7,650.00	
46320 Leola Housing & Redevelopment	5,000.00	

46510	Leola Credit Board	950.00
46520	Zoning & Planning Comm.	2,350.00
46530	Development-Dev. Corp. & School	1,100.00
46610	Economic Development	10,000.00
101-46000	TOTAL CONSERVATION & DEVELOPMENT	27,050.00
101-47000	TOTAL DEBT SERVICE	0.00
101-48000	TOTAL INTERGOVERNMENTAL EXPENDITURES	0.00
101-49000	MISCELLANEOUS -Judgments & Losses	0.00
101-51000	OTHER FINANCING USES	0.00
101-61000	FUND EQUITY USES	0.00
	TOTAL GENERAL FUND APPROPRIATIONS	475,203.00
<u>21700</u>	<u>REVOLVING LOAN-ENTERPRIZE LOAN FUND</u>	
128	REVENUE	25,750.00
172	EXPENDITURES	25,750.00
	TOTAL SPECIAL REVENUE RETAINED	0.00
<u>22000</u>	<u>SPECIAL MAINTENANCE FUND-Streets &amp; Drainage</u>	
128	REVENUE -front footage	30,000.00
172	EXPENDITURES	30,000.00
	TOTAL SPECIAL REVENUE RETAINED	0.00

**PART II.**

The following designates the fund or funds that money derived from the following sources is applied to.

**GOVERNMENTAL FUNDS - 100**

	UNOBLIGATED CASH BALANCE	119,453.00
31000	TOTAL TAXES	323,200.00
32000	TOTAL LICENSES & PERMITS	4,000.00
33000	INTERGOVERNMENTAL REVENUE	21,500.00
34000	CHARGES FOR GOODS & SERVICES	3,650.00
35000	FINES AND FORFEITURES	0.00
36000	MISCELLANEOUS REVENUE	3,400.00
39000	OTHER SOURCES-BORROWED & TRANSFER IN	0.00
	TOTAL MEANS OF FINANCE-GENERAL FUND	475,203.00

**PART III.**

<u>PROPRIETARY FUNDS - 600</u>	<u>WATER</u>	<u>SEWER</u>
UNAPPROPRIATED FUND BALANCE	4,500.00	80,000.00
ESTIMATED OPERATING REVENUE	116,000.00	48,000.00
ESTIMATED SEWER PROJECT FEE COLLECTIONS		58,000.00
TRANSFER IN	15,000.00	0.00
<u>TOTAL AVAILABLE</u>	135,500.00	186,000.00
LESS APPROPRIATIONS (Operating Expenses)	129,300.00	46,100.00
TRANSFER OUT-SALARY	0.00	15,000.00
SET ASIDE FOR LOAN PAYBACK	0.00	48,252.00
<u>TOTAL EXPENSE</u>	129,300.00	109,352.00
ESTIMATED RETAINED EARNINGS	6,200.00	76,648.00

**PART IV.**

The Finance Officer is hereby directed to certify the following dollar amounts of tax levies made in this Ordinance to the McPherson County Auditor.

PROPERTY TAXES, CPI-1% & 3.79% GROWTH	203,406.82
OPT OUT	30,000.00

ATTEST:

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Candice Kappes, Finance Officer

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Doug Yost, Mayor

First Reading: August 21, 2017  
Second Reading: September 6, 2017  
Publication Date: September 13, 2017

The Council discussed the quote to move the donated trees was \$65.00 within town and \$80.00 out of town. Council Member Mardian moved, with a second by Council Member Lipke, to move the donated trees from Mayor Doug Yost’s property to the pool park. All Council Members voted in favor. Motion carried. Finance Officer Kappes informed the Council the pool phone had been disconnected but power & water was left on Fischer’s can do the plumbing, then it can be winterized and power turned off.

The Council discussed the 12 x 12 slab needed by the Citizen Center for the cement slab for the generator, using the Citizen’s Building for a shelter, what was purchased and what was needed. Natalie Dempsey brought up the possible need to have window coverings for the shelter.

The Council examined the Monthly Library Report and Monthly Police Report. Mayor Doug Yost appointed Jackie Leibel to replace Shana Gohl to the Library Board.

August Building Permits Issued: #17-33 Glenn Spitzer #17-34, McPherson County.

Finance Officer Kappes reported the original Pudwill Lakeside Plat had been filed at the McPherson Council Registered of Deeds Office on August 14<sup>th</sup> 2017 at 11:38 A.M. and recorded in Book of Plats 90A Page 508. The County kept the original plat and the City received a copy of the plat.

Gayle Seibel spoke to the Council on beautician, the weed problem and garbage in the parks.

The Council discussed that Jenson’s will be here to do street work starting on Friday, September 14th.

She thanked Richard Reis for taking a Council seat. She said she would like to see openings on the Council be published.

The Council discussed issues with Valley’s Notify Plus and problems are still being worked out.

The Council discussed a quote to spay weeds on city property. Council Member Mardian moved, with a second by Council Member Reis to contract Habitat Management Solution to spray at \$627.00

The City received the signed Department of Transportation --- Authorize Signature on Sign & Delineation Project Agreement of the Federal Aid Construction Project in the Roadway Safety Improvement Category listed as Project PH 0010 (147) PCN 05HC in DOT’s Statewide Transportation Improvement Program for the Fiscal Year 2019.

The City Finance Office will be closed on September 21st for NEFOG in Aberdeen, October 3<sup>rd</sup> thru October 7<sup>th</sup> for SDML Conference and October 25<sup>th</sup> for Election Workshop in Pierre.

The Council discussed the Large Item Collection and it was decided to leave it the 1<sup>st</sup> weekend in October.

Upcoming Projects & Scope of work for 2018 were discussed road drainage, Citizen’s Building, pool sidewalk, park drainage and landscaping and pavilion in the park, flooring in the other portion of the Library Building and in the Municipal Building.

At 11:02, Council Member Leibel moved, with a second by Council Member Rau, to go into executive session. All Council Members voted in favor. Motion carried. Finance Officer Kappes was asked to stay and Chief Yost and Tschappat were excused. Council deemed out of executive session at 11:20 P.M.

The Council re-discussed the loader bids, with 90’s model loader was sold and no longer an option. The 2014 SDLG LG938L 081410 Wheel Loader from Sheehan Mack with 107 hours with premier warranty being the City’s best deal but the blank would still need to be purchased and tires foamed. Member Rau moved, with a second by Council Member Lipke, to bring the loader bids back on the table and get financing options on the 2014 Volvo Loader from Sheehan Mack. All Council Members voted in favor. Motion carried.

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

The Leola City Council will meet in the Council Room of the Municipal Building in regular session at 7:30 P.M. on Monday, October 2<sup>nd</sup> 2017.

ATTEST:

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Candice Kappes, Finance Officer

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Doug Yost, Mayor of Leola

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*“Esta institucion es un proveedor de servicios con igualdad de oportunidades”*

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