

LEOLA CITY COUNCIL MEETING

SEPTEMBER 7, 2016

The Leola City Council met in regular session on Monday September 7th instead of Monday, September 5th, due to the Labor Day Holiday. Mayor Doug Yost called the Meeting to order at 7:30 P.M. with the following members present: Jackie Rau, Karl Moser, Dana Leibel, Shawn Patton, Mike Yost, with an open seat in Ward Three. Absent: none. Also present: Jeff Tschappat, Police Chief Daniel Yost, Mike Olson, Code Enforcement Officer, along with the Finance Officer.

Mayor Doug Yost appointed Jon Mardian as Council Member Ward Three for the remainder of the term. Council Member Rau moved to accept Mayor Doug Yost's appointment of Jon Mardian. Council Member Leibel seconded the motion. All Council Members voted in favor. Motion carried. Council Member Jon Mardian took oath of office and was seated.

Council Member Rau moved, with a second by Council Member Leibel, to approve the minutes of the August 1st and August 10th Meetings as published. All Council Member voted in favor. Motion carried.

Council Member Leibel moved, with a second by Council Member Michael Yost, 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	3,131.16
Finance Office Salaried Payroll	September Salary & Benefits	3,601.22
Maintenance/Water & Sewer Dept. Payroll	September Salary & Benefits	3,104.79
Council Payroll	3rd Quarter Meeting Pay	3,816.20
Zoning Board	3rd Quarter Meeting Pay	349.87
Council Payroll	August Hours-C & M Citizen's Food Boxes Pay-P. Walz	18.41
Fill-in Maintenance Payroll	August Pick up Maintenance Hours-Ray Hartinger	1,014.04
Gov't Bldg. Payroll-Janitor	August Janitor Hours-J. Leibel	399.10
Library Payroll	August Librarians	754.80
Lifeguard Payroll	August Hours-Lifeguarding	4,125.42
Office Department Payroll	August Hours-J. Wimer	717.92
Weed Spraying Payroll	Spraying- Lagoon & Dam--Spitzer	62.61
West Nile Spraying Payroll	August Hours to Spray Mosquitos - J. Tschappat	153.40
Zoning Payroll-Tschappat	August-Building Permits	86.12
AB Business Inc.	July & August Supplies	226.54
AmeriPride Service, Inc.	Mops, Deodorizers, etc.-Library Bldg. Govt. Bldgs. & Golf Course	148.80
Bollinger Construction	Ditch work at Elevator & on 3 rd , Curb Stop, Part of Labor	6,168.38
CompQuest Technology	Labor & Mileage - Professional Services-Fortinet	262.25
CorTrust Bank	Check Blanks	244.34
Dependable Sanitation, Inc.	Garbage-Pool, Ballfield, Golf Course, City Park & Spring Collection	978.82
4DK	Cord-ends for Slide Pump at Pool	38.81
FEM Electric Association, Inc.	Electricity-Golf Course	92.16
Flint Hills Resources, LP	25.71 N. Ton Oil @ 393.28 for Chip Sealing	10,111.23
Gene's Oil Company	August Gas & Diesel	944.62
Homestead Building Supply	Supplies	1,469.81
J Gross Equipment	Mower Parts	102.09
Leola Grocery	Supplies	26.60
Leola Public Library	Reimbursement for Books, DVDs & Label Protectors	167.64
Lien Transportation	Hot Mix	633.52
McPherson County Herald	Advertising, Zoning Notice & Publishing	460.17
MDU	Electricity	2,736.66
Napa Auto Parts-Farnam's Genuine Parts, Inc.	Parts-Streets	90.95
Netjes, David	Reimbursement of Water Deposit & Credit	100.50
North Central Farmers Elevator	Miscellaneous Merchandise & Shop Labor	727.29
Northeast Finance Officer's Group	Registration-Fall Meeting	10.00
Rod Hoffman Construction	Demo-6 Buildings, Work on North Shop Door & Mileage	2,471.90
Rural Development	53rd Loan Payment-Sewer Project	4,021.00
South Dakota Dept. of Revenue-Lab	Water Testing Sample	15.00
Specialty Trailer Sales	2016 DCT HD Car Hauler (7 x 14 Black) & Document Fee	3,615.00
Titan Machinery/Productivity Plus Account	Air Cleaner, 2 Belts & Freight	151.40
Valley Telecommunications	Phones, Cell Phones, Faxing, Internet	461.16
Walz, Pam	Reimbursement-Mileage - Food Baskets	33.60
Walz, Pam	Book Reimbursement-Library	269.90
WEB Water	August's Bill for July's Water Use	4,937.85
Wimer, Jessica	Reimbursement-Council Supplies	8.17
Yost, Dan	Mileage & Expense to Aberdeen	65.60

After discussion on the ditch work and trailer to hold a water tank for the park, Council Member Mardian moved, with a second by Council Member Leibel, to approve the above bills. Upon roll call vote all Council Members voted in favor. Motion carried.

Brian Heupel, Keenan Stoecker, Natalie Dempsey, Kristi Spitzer and Denise Brandner joined the meeting. The group representing the Development Corporation and Leola School discussed the Promotional Plan from 2004 on the vision compiled. The group would like to partner with representation of the City, School and Development Corporation to be on a board to meet on the Promotional Plan Booklet and discussed options. After discussion, Council Member Michael Yost and Mayor Doug Yost volunteered to be the city's representation on this board.

Dean Schock, Norman Tschappat, Gabe Outtrim, Brian Heupel, Terry Hoffman, Jim Schaffer, Diane and Mike Waltman came before the Council representing the Golf Association to discuss the proposed 2017 Budget. They discussed the current 74 golf memberships, golf income, expenses, accomplishments and how well things over all

having been going at the Golf Course. They discussed the City's decision to budget a \$12,000.00 donation to the Golf Association for them to be able to function and be able to pay their own bills and requested a year-end financial statement filed with the city. The City would still insure and back the Golf Association if needed, as done for other groups and wants to continue to have a good working relationship.

Mike Olson, Code Enforcement Officer, updated the Council on letters sent, properties in compliance, those still to be abated, various other properties to be notified and issues to be abated in 2017. Six buildings have been demolished on the City tear down list and three remaining sheds/garages yet to be demolished and possibly one more house yet to add to be demolished.

As advertised, a Public Hearing on the name change and location transfer for Off-Sale Package Malt Beverage & SD Farm Wine License for the Leola Grocery Store, dba, Natalie Dempsey to Ten-45 Grocery and Café, dba, Natalie Dempsey at 457 Boardway to Sieh Outlot 1 in the SW¼ of 16-126-67 West of the fifth P.M., McPherson County, SD as shown on plat No. 442 in the City of Leola at 11493 363rd Avenue. There being no one present objecting, Council Member Michael Yost moved, with a second by Council Member Patton, to approve the location transfer and name change of Ten-45 Grocery and Café. All Council Members voted in favor.

As advertised, a Public Hearing on Budget Ordinance 2016-02 was held. There being no one present objecting to the 2016 Appropriations Budget, Council Member Rau moved the following, Year 2017 Budget Ordinance 2016-02, be read the 2nd time, with the adjustment to Part IV. On the amount to be levied for property Taxes, CPI-0% & 5.73% Growth to be \$194,109.45 instead of \$194,119.69, and moved for its adoption. Council Member Leibel seconded the motion. Upon roll call vote, all present Council Members voted in favor. Motion carried. The second reading was held as follows:

**ORDINANCE 2016-02
CITY OF LEOLA
2017 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.

GOVERNMENTAL FUND	FUND AMOUNTS	TOTALS
<u>TOTAL GENERAL FUND-100</u>		
101-41000 GENERAL GOVERNMENT		
41150 Contingency	21,228.00	
41200 Mayor & Council	24,600.00	
41300 Elections	1,000.00	
41410 City Attorney	2,000.00	
41420 Finance Office	49,900.00	
41450 Insurance	36,000.00	
41470 Unemployment	100.00	
41490 Government Buildings	37,000.00	
101-41000 TOTAL GENERAL GOVERNMENT		171,828.00
101-42000 PUBLIC SAFETY		
42100 Police	45,500.00	
42200 Fire-Siren	500.00	
42300 Protection & Inspection-Code Enforcement	8,000.00	
101-42000 TOTAL PUBLIC SAFETY		54,000.00
101-43000 PUBLIC WORKS		
43100 Streets	81,000.00	
43200 Sanitation	6,425.00	
101-43000 TOTAL PUBLIC WORKS		87,425.00
101-44000 PUBLIC HEALTH		
44130 West Nile Fund	2,800.00	
44620 Ambulance-EMT'S	100.00	
101-44000 TOTAL PUBLIC HEALTH		2,900.00
101-45000 CULTURE & RECREATION		
45110 Golf Course	12,000.00	
45120 Pool	37,200.00	

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.	3,600.00	
45230	Parks	39,450.00	
45500	Library	16,700.00	
45700	Historical Preservation-Museum	100.00	
101-45000	TOTAL CULTURE & RECREATION		110,800.00
101-46000	CONSERVATION & DEVELOPMENT		
46310	Lot Redevelopment	10,000.00	
46320	Leola Housing & Redevelopment	5,000.00	
46510	Leola Credit Board	1,450.00	
46520	Zoning & Planning Comm.	1,800.00	
46530	Development-Dev. Corp. & School	600.00	
101-46000	TOTAL CONSERVATION & DEVELOPMENT		18,850.00
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		445,803.00
<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

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	97,953.00
31000	TOTAL TAXES	315,000.00
32000	TOTAL LICENSES & PERMITS	4,000.00
33000	INTERGOVERNMENTAL REVENUE	21,500.00
34000	CHARGES FOR GOODS & SERVICES	4,350.00
35000	FINES AND FORFEITURES	0.00
36000	MISCELLANEOUS REVENUE	3,000.00
39000	OTHER SOURCES-BORROWED & TRANSFER IN	0.00
	TOTAL MEANS OF FINANCE-GENERAL FUND	445,803.00

PART III.

PROPRIETARY FUNDS - 600

	<u>WATER</u>	<u>SEWER</u>
UNAPPROPRIATED FUND BALANCE	36,000.00	80,000.00
ESTIMATED OPERATING REVENUE	93,000.00	48,000.00
ESTIMATED SEWER PROJECT FEE COLLECTIONS		58,000.00
TRANSFER IN	0.00	0.00
<u>TOTAL AVAILABLE</u>	129,000.00	186,000.00

LESS APPROPRIATIONS (Operating Expenses)	127,800.00	46,100.00
TRANSFER OUT-SALARY	0.00	00.00
SET ASIDE FOR LOAN PAYBACK	0.00	48,252.00
TOTAL EXPENSE	127,800.00	94,352.00
ESTMATED RETAINED EARNINGS	1,200.00	91,648.00

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-0% & 5.73% GROWTH	194,109.45
OPT OUT	30,000.00
TOTAL MONIES LEVIED FOR	224,109.45

ATTEST:

Candice Kappes, Finance Officer

Doug Yost, Mayor of Leola

The Council discussed the chip sealing done by the McPherson County Highway Department and the possibility of the city guys getting the street sweeping and more patching done next week.

The Council discussed the Restricted Use Site. The posted hours to be opened are Thursdays, 3:30 P.M. until 7:30 P.M. through October 1st, weather permitting. It was decided to have Ray Hartinger man the Restricted Use Site when needed.

The Council discussed the yearly rotation of cleaning sewer lines as done in past years. It was decided to contact Sewer Duck for quotes on mobilization and approximate cost to clean approximately 8500 feet of sewer line and cost per foot.

The Council discussed the Land and Water Conservation Grants through SD State Parks and Recreation and the actual estimate received to fiberglass coat the pool. Council Member Rau moved to rescind the motion to apply for funding for the pool made at the August 1st Meeting, due to the excess cost. Council Member Moser seconded to rescind. All Council Members voted in favor. Motion carried.

The Council discussed the drainage field at the City Park, along with the tank to have water storage for campers. The Council also discussed the fact electrical power was cut at the park to the west light pole.

The Council discussed the spillway along County Road 19 and it was decided to discuss this with the County.

The Council discussed remodeling needed at the Municipal Building. After discussion, Council Member Rau moved, with a second by Council Member Moser, to get quotes to remove front door & west windows, replace front entrance with ADA approved door and west windows, close off the south door, cover and use salvaged tin and insulate and finish interior openings. Council Member Moser seconded the motion. All Council Members voted in favor. Motion carried. Those Council Members on the Building Committee will get together to draw up Quote Notices to be mailed out.

The Council discussed the 30 x 40 addition to be added to the City Shop. The MDU set back there is only 30 ft. instead of 40. Council Member Moser moved, with a second by Council Member Michael Yost, to approve a \$500.00 change order to remove the far west stall on the old fire hall, which was added on. All Council Members voted in favor. Motion carried.

The Council discussed the electrical work needed to the new shop addition, with specs for a 200 AMP service, lighting lay out and power for overhead doors. The new electrical will need to tie into the existing building by running conduit to the box with breakers to the new building. Council Member Rau moved, with a second by Council Member Moser, to advertise and put out for bids on the electrical for the new addition and quotes on a hanging propane furnace for the new addition. All Council Members voted in favor. Motion carried. Those Council Members on the Building Committee will get together to draw up the Electrical Bid Notices and quote letters for the furnace.

The Council discussed problems with the civil defense siren and Dakota Electronics has been contacted concerning the siren not working.

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

The Council discussed that everything was done at the pool for the season except the winterizing.

August Building Permits Issued: Building Permit: Keith Seibert-16-41, Rick Adams by Tim Beck-16-42-Demo, St. James Lutheran Church-16-43, Jon & Jessica Mardian-16-44, Gordon Rath by Deb Dahme-16-45, Jessica Mardian Daycare Special Exception 16-46.

Council Member Mardian moved, with a second by Council Member Rau, to surplus Lots 4 & 5 Block 5 Turners Addition and to call for sealed bids on Lots 4 & 5 Block 5 Turners Addition and on Lots 4 & 5 in Block 5 in Turner Addition with the stipulation of a building needing to be put on the property within three years and purchased at least 90% of the estimate given by the appraisal board. Bids will be opened at 8:00 P.M. on Monday, October 3rd. All Council Members voted in favor. Motion carried.

Due to the date change of the NEFOG Meeting until September 8th the Council tabled the Credit Card Acquisition and Use Policy & Department of Revenue's Overtime Pay Rule-Salaried Employees-Dec. 1st requirement to the Agenda for the October 3rd Meeting.

Leesa Christenson, Modern Woodmen Financial Representative, contacted Mayor Yost concerning a \$1,000 donation of items, one of them being a picnic table and the other items the City was interested in. It was decided the finance officer will contact Christenson to see if a small set of movable bleachers were an allowed item and if the item could be cost shared. If this was not an allowed item, other possible items were discussed.

The Fall Large Item Collection for city residents will be held from 9:00 A.M. – 5:00 P.M. on Saturday, October 1st at the Leola City shop. The large roll off will arrive September 27th and will be picked up again on October 7th. The Fall Community Consignment Sale will be held Sunday, October 2nd.

The Council discussed dog breeder's licenses. Mayor Yost informed the Council that dog breeder's licenses need to be applied for through USDA and the breeders license does not allow the breeder vary from the numbers of dogs allowed in the City's Dog Ordinance to have no more than two dogs. Puppies are sold before needing to be licensed. Anyone wanting to breed dogs with more than two adult dogs would need to be in a rural area.

The Council discussed applying for funds to do the feasibility study on the city's water system to get on the State Water Plan to be eligible to apply for funding for needed water projects. The Council discussed holding off until 2017 to do the feasibility study. A schedule of things needing to be done while funding window is available during the time allowed on the State Water Plan while funding can be requested.

The Council discussed the SDML Conference in Rapid City on Oct 4-7 at which time Jessie Wimer and Finance Officer Kappes will attend and the City Office will be closed.

The City received notice of DENR's General Surface Water Discharge Permit.

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

The Leola City Council will meet again in session in regular session on Monday, October 3rd 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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