

LEOLA CITY COUNCIL MEETING

September 9, 2013

The Leola City Council met in the Council Room of the Municipal Building in regular session on Monday, September 9, 2013 instead of September 2nd due to the Labor Day Holiday. Mayor Dean A. Schock called the Meeting to order at 7:30 P.M. with the following members present: Glenn A. Spitzer, Brian Walz, Norman C. Tschappat, David Gohl and Doug Yost. Absent: Jim Severson. Also present: Jeff Tschappat, Pam Schaffner, Matthew Van Der Linden Mike Waltman and Stanton Spitzer.

Minutes of the August 5th and August 19th Meetings stand approved as mailed out.

Jeff Tschappat left the meeting momentarily to check arcing wires on an electrical highline pole.

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

The Council discussed the delinquent loan payments still owed on Revolving Loan #22 and that City Attorney Vaughn Beck began foreclosing on delinquent Revolving Loan #22.

The finance officer informed the Council all the expenses incurred due to the damage to the water control boards and in the city's building, done by the broken pipe along with the cost of the after hour trips by WEB have been submitted to Dakota Claims.

Stanton Spitzer spoke to the Council about his plan to retire and selling his mule and tanks he uses. Spitzer left the meeting.

The Council examined the following bills:

Police & Maintenance Salaried Payroll	September Salary	\$3,511.16
Finance Office Salaried Payroll	September Salary	3,219.53
Maintenance/Water & Sewer Dept. Payroll	September Maintenance Salary	2,694.06
Gov't Bldg. Payroll-Janitor	August Janitor Hours	318.92
Office Department Payroll	August Office Hours	660.91
West Nile Spraying Payroll	August-Mosquito Spraying	92.04
Library Payroll	August Librarian	701.95
Maintenance/Bldg. Demolition	August Fill in Payroll -Pat Schaffner	1,071.12
Maintenance/Bldg. Demolition	August Fill in Payroll -Norman Tschappat	179.51
Zoning Payroll-Tschappat	August-Building Permits	21.53
Swimming Pool Payroll	August Hours	4,066.05
Maintenance/Mowing	July Fill in Payroll -Glenn Spitzer	46.83
A & B Business	Supplies	199.14
AmeriPride Service	Mops, Deodorizers, Paper Products etc.	175.30
Curt's Repair	Parts, Labor on Equipment	992.46
Dakota Pump & Control	Installation-2 New Panels/Damaged Replacement	10,747.15
Dakota Supply Group	Water Supplies	223.69
Doubleday Book Club	Books-Library	39.46
FEM Electric Association, Inc.	Security Light & Electricity-Golf Course	60.40
Fred Pryor Seminars	2 Registration-Excel Class-Aberdeen	256.00
Gene's Oil Company	August Gas & Diesel	758.08
Harlequin Reader Service	Books-Library	33.96
Hawkins, Inc.	Supplies-Pool	2,143.25
Homestead Building Supply	Supplies	62.91
J Gross Equipment Inc.	Mower Blades	293.85
Kappes, Candice	Reimbursed-Postage & 2 Wireless Computer Mice	56.47
Kessler's	Plant Delivered for Jim Severson	40.00
Leola Grocery	Supplies	14.46
McPherson County Herald	Publishing	233.20
McPherson County Highway Department	Employee Wage-Blade & Hauling Gravel	524.02
MDU	Electricity	2,138.34
North Central Farmers Elevator	Miscellaneous Parts & Supplies	99.46
Penworthy	Books-Library	60.37
Rural Development	17th Loan Payment-Sewer Project	4,021.00
Schaffner, Pam	Reimbursement-Water Postage	2.92
South Dakota Assoc. of Rural Water System	Class B Membership Dues	345.00
South Dakota Department of Revenue-Lab	Coli form Water Testing	13.00
South Dakota Municipal League	Registration-SDML Conference (Kappes & Schaffner)	200.00
Spitzer, Glenn	Labor to Repair Sign	112.50
Spitzer, Stanton	Labor Spraying Weeds	105.00
Valley Telecommunications	Phones, Faxing & Internet & Security	396.12
Van Der Linden, Matthew	Reimbursement-Police Patches Work & Freight	25.97
VanDiest Supply Company	Rodeo & Shipping	134.00

Walz, Marlys	Book Reimbursement	60.24
WEB Water	July Water Use	3,961.55
WEB Water	After Hours Service Call	249.60

BIILS TO BE CONSIDERED ONLY PARTLY PAID

West Central Lift & Elevator, Inc. Remaining to pay on Citizen Building Elevator 4,558.50

PROJECT BIILS TO BE CONSIDERED FOR APPROVAL AND HELD FOR FUNDING

Helms & Associates	Engineering Construction Observation, Staking, Mileage & Expenses	3,618.76
Helms & Associates	96% WWTP Imp. Construction of 35,200.00 Contract Amount	4,928.00
Dahme Construction Co. Inc.	Sewer Line Project on Bid Schedule A 2-Work	209,267.78

The Council discussed remaining \$4,558.50 to be paid on Citizen Building Elevator and that final payment is to be held until the elevator is installed at the Citizens Building. The measurements needed by West Central Lift & Elevator, Inc. were discussed. Council Member Walz moved to pay the above wastewater expenses once grant monies are received and to approve all remaining expenses. Council Member Yost seconded the motion. All present Council Members voted in favor. Motion carried.

The Council discussed Fall Large Item Collection planned for Saturday, October 5th at the Leola City shop at 9:00 A.M. until 5:00 P.M. which will be free to all City residents, a day prior to the Community Consignment Auction to be held on Sunday, October 6th.

Allen Aman joined the meeting at 7:50 P.M.

Road work that will need to be done was discussed. It was decided to contact Helms & Associates to check if it wasn't in the original plans that all the roads would be chip sealed following the project. It was decided to discuss this at the 1:00 P.M., September 11th Sewer Project meeting. Back fill needing to done was also discussed. The City's small pile of pea rock and Jenson's large pile was discussed.

The Restricted Use Site Inspection scheduled for September 10th was discussed. The Council discussed the accumulation of tires at the Restricted Use Site and it was decided to contact farmers to see if they need tires for their silage piles if not to check into recycling companies that use them.

The Council discussed work needing to be done to city equipment before winter.

The Council discussed Attorney Vaughn Beck notified the City that the proposed plat was still a plot that had not been updated with the changes that were requested in November, 2011 and advised the City not to approve the proposed plat of Pudwill Lakeside Estates. The Council discussed the estimate of the costs of water supplies depending on the size of the pipe going to the proposed Pudwill Lakeside Estates. Taking this water service to the City Park to supply water to the park was discussed. The fact the materials and installation of the pipe would need to be advertised and up for bids was discussed.

As advertised, a Public Hearing on Budget Ordinance 2013-01 was held. There being no one present objecting to the 2014 Appropriations Budget, Council Member Gohl moved to hold second reading on Ordinance 2013-01 and moved for its adoption as introduced by Council Member Tschappat August 19th. Council Member Tschappat seconded the motion to hold second reading of the 2014 Appropriations Budget. Upon roll call vote, all present Council Members voted in favor. Motion carried. The second reading was held as follows:

ORDINANCE 2013-01

CITY OF LEOLA

2014 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	30,580.00	
41200 Mayor & Council	24,200.00	
41300 Elections	1,000.00	
41410 City Attorney	2,000.00	
41420 Finance Office	48,200.00	
41450 Insurance	25,000.00	

41470	Unemployment	100.00	
41490	Government Buildings	42,000.00	
101-41000	TOTAL GENERAL GOVERNMENT		173,080.00
101-42000	PUBLIC SAFETY		
42100	Police	68,000.00	
42200	Fire-Siren	1,000.00	
42300	Protection & Inspection	1,000.00	
101-42000	TOTAL PUBLIC SAFETY		70,000.00
101-43000	PUBLIC WORKS		
43100	Streets	62,000.00	
43200	Sanitation	6,425.00	
101-43000	TOTAL PUBLIC WORKS		68,425.00
101-44000	PUBLIC HEALTH		
44130	West Nile Fund	2,700.00	
44620	Ambulance-EMT'S	100.00	
446	Regulation & Inspection	100.00	
101-44000	TOTAL PUBLIC HEALTH		2,900.00
101-45000	CULTURE & RECREATION		
45110	Golf Course	22,500.00	
45120	Pool	40,300.00	
45130	School Alumni Committee	100.00	
45140	Senior Citizens	100.00	
45150	Rhubarb Committee	500.00	
45160	Celebration	500.00	
45220	Parks	16,750.00	
45230	Ball Diamond-Fields &Athletic Assoc.	8,000.00	
45500	Library	14,000.00	
45700	Historical Preservation-Museum	100.00	
101-45000	TOTAL CULTURE & RECREATION		102,850.00
101-46000	CONSERVATION & DEVELOPMENT		
46300	Leola Housing & Redevelopment	5,000.00	
46510	Leola Credit Board	1,450.00	
46520	Zoning & Planning Comm.	1,800.00	
46530	Development Corporation	500.00	
46540	Northern Route to the Black Hills	300.00	
101-46000	TOTAL CONSERVATION & DEVELOPMENT		9,050.00
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		426,305.00
	<u>21700 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	103,005.00
31000 TOTAL TAXES	270,500.00
32000 TOTAL LICENSES & PERMITS	3,000.00
33000 INTERGOVERNMENTAL REVENUE	18,200.00
34000 CHARGES FOR GOODS & SERVICES	3,250.00
35000 FINES AND FORFEITURES	0.00
36000 MISCELLANEOUS REVENUE	3,350.00
39000 OTHER SOURCES-BORROWED & TRANSFER IN	25,000.00
TOTAL MEANS OF FINANCE-GENERAL FUND	426,305.00

PART III.

<u>PROPRIETARY FUNDS - 600</u>	<u>WATER</u>	<u>SEWER</u>
UNAPPROPRIATED FUND BALANCE	50,000.00	70,000.00
ESTIMATED OPERATING REVENUE	95,800.00	50,000.00
ESTIMATED SEWER PROJECT FEE COLLECTIONS		50,000.00
AMOUNT TO BE BORROWED & GRANT-Cap Project-Lagoon/Sewer Project	0.00	0.00
TRANSFER IN	0.00	0.00
<u>TOTAL AVAILABLE</u>	145,800.00	170,000.00
LESS APPROPRIATIONS (Operating Expenses)	130,300.00	80,100.00
TRANSFER OUT-SALARY	12,500.00	12,500.00
SET ASIDE FOR LOAN PAYBACK	0.00	50,000.00
<u>TOTAL EXPENSE</u>	142,800.00	142,600.00
ESTIMATED RETAINED EARNINGS	3,000.00	27,400.00

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-2.1% & 6.3% GROWTH	165,793.00
OPT OUT	30,000.00
TOTAL MONIES LEVIED FOR	195,793.00

ATTEST:

<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> Candice Kappes, Finance Officer	<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> Dean A. Schock, Mayor
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The Council discussed pumping down the water in the swimming pool but leaving enough in the pool so bottom doesn't lift up, the gravel and cement needing to be done was also discussed.

The Council discussed the bottom of the pool and the possibility of putting in a liner and checking into the cost of doing it was discussed.

It was decided to leave the electricity on at the City Park in case it was needed by hunters. August Building Permits issued: 13-14 Jason Kallenberger and 13-15 Brian Walz. The Council discussed the variance applied for by Travis and Andrea Wald and the Special Zoning meeting scheduled for 7:00 P.M. on Thursday, September 26th for a variance to build an addition and garage onto their house going 6 feet into the into the 15' front set back and 6 ½ feet into the 7' side setback residential property legally described as Lots 11 & 12 Block 7 of Pleasantview Addition. Other applications approved and owners needing building permits were discussed.

The Council discussed the measurements West Central Lift and Elevator, Inc. needed before the elevator could be installed.

Work needed to be done to equipment was also discussed.

Council Member Walz moved, with a second by Council Member Spitzer, to surplus the Toro Mower, deck pieces and blades and to sell it at the Consignment sale Oct.6th. All present Council Members voted in favor. Motion carried.

The Council examined the August Pool, Library and Police Reports. It was decided to continue to monitor the bar closure time.

The Council discussed Van Der Linden Police duties and that in a County Emergency situation they didn't have a problem with Van Der Linden stepping in to help.

Council Member Spitzer moved, with a second by Council Member Tschappat, to add to surplus the scrap metal at the Golf Course and sell it for scrap. All present Council Members voted in favor. Motion carried.

Council Member Tschappat moved, with a second by Council Member Gohl, to surplus the old police camera. All present Council Members voted in favor. Motion carried. Van Der Linden will check with other police agencies that could use it.

The Council discussed the culvert between the Propane and Bulk plant needing to be replaced.

The Council discussed the wind damage to the chain link fence at the ball field.

The Council discussed the Golf Course will offer golf cart storage for \$100.00 a year, this cost is to be prorated until April, 2014. An agreement is to be drawn up stating the City of Leola or Golf Course Associate is not responsible for damage, also if rent is not received by April 1st this space will be available for rent by others. Revenue generated will go to the Golf Club Association.

It was also decided if an individual fills out the green fee cards and pays green fees ten times at \$10.00 that person will be considered having a \$75.00 single membership paid. Free individual Membership given to Jeff Tschappat and Matt Van Der Linden, as an employee benefit was discussed.

Setting up a work night and a regular meeting date at the Club House was discussed along with the need to have a reorganization meeting so those officers and members can be involved in the decision making. The reorganization meeting was set for the golf course 7:00 P.M. on Tuesday, September 24th. The need of pencils, flags and setting a long term plan was discussed. October 12th was tentatively set for the Golf Tournament.

The finance officer informed the Council the paperwork is still waiting to be completed on the list of handicapped non-compliance items at the Municipal Building which were identified in the ADA Assessment done by Independent Living Choices. This USDA Rural Development paperwork is to be completed addressing concerns to notify Rural Development of our intentions to correct issues. The finance officer discussed with the Council that no funds have been budgeted specifically in the Credit Board Fund or the Revolving Loan Fund which were being audited, the auditor of these funds requested the assessment be done. Monies received from interest earned in the RLF account could be used to address the list and bring these items into compliance but interest collected is not enough to address these issues.

The Council discussed a few things yet to be completed for Sewer Line Project. The next Project Meeting is scheduled for 1:00 P.M. Wednesday, September 11th. It was decided to compile the list of problem locations for the meeting. It was decided to check with Helms & Associates to see if chip sealing over road work wasn't written into the original project.

Council Member Tschappat moved to approve the invoices and pay estimates to be paid this month: Dahme's Construction Sewer Line Project Pay Estimate in the amount of \$209,267.78, Helms & Associates for Engineering Construction Observation & Staking, Mileage & Expenses in the amount of \$3,618.76 and \$4,928.00 for Helms & Associates for 96% of WWTP Imp. Construction of the total Contract in the amount of \$35,200.00 were submitted. Council Member Spitzer seconded the motion. All present Council Members voted in favor. Motion carried.

Mayor Schock signed the pay estimates, pay request letter to Water Quality, and all other paperwork to draw down funding from USDA-RD and the State Water Quality Grant.

Council discussed the city's need to contract with an auditing firm to do the City's two year audit, due to the amount of grant dollars received for the project in 2012 and 2013. Finance officer Kappes presented cost proposals from Cahill, Bauer & Associates, LLC for a total of \$11,900.00 and Eide Bailly for a total of \$15,000.00 and no cost estimate was received from Ron Schurr. The finance officer informed the Council the other cities she contacted had no procedures to pick their auditor. Council Member Spitzer moved, with a second by Council Member Gohl to accept the proposal from Cahill, Bauer & Associates, LLC. All present Council Members voted in favor. Motion carried.

Nuisance Properties were discussed along with drainage issue at the lake. The finance officer will contact Jennifer Sietsema at NECOG to inform Spitzer what information was needed for the PDM Plan concerning the spillway.

The finance Officer informed the Council the city was instructed by the County not to pay the bill from Danko for taxes on the siren.

The Council discussed the Water inspection report and the items needing to be addressed within 45 days.

The Council discussed the SDML Conference being held October 9th-11th and that the City Office would be closed during this time. The bios for Sid Swanson, Mayor Schock, Norman Tschappat and finance officer Kappes for the SDML Hall of Fame recognizing 20 or more years of municipal service have be submitted to the SDML. Certificates will be presented at the noon lunch on Thursday, October 10th. Those planning to attend need to let the finance office know so registration can be submitted. The Council gave Van Der Linden permission to attend the day of the Police Chiefs Meeting.

The Council discussed quasi items left from the celebration. It was decided to donate some quasi blankets to Leola residents living in area nursing homes.

The Council discussed the Leola pens to be put in the Hunter bags being put together by the Development Corporation/LCAC.

The Council discussed the SD Broadband Technology Grant and that the paperwork had been submitted and that the Public access still needed to be hooked up.

Council Member Gohl moved, with a second by Council Member Walz to purchase a large display screen for the computer in the finance office. All present Council Members voted in favor. Motion carried.

Council Member Walz moved, with a second by Council Member Tschappat, to accept the resignation of Council Member Glenn A. Spitzer. Spitzer was thanked for his many years of service to the City of Leola and many years of volunteering with city projects. Mayor Schock addressed parties having interest in taking the newly created open seat. Discussion on holding the open seats were held and that the seat would become open for petitions in the spring.

Council Member Gohl moved, with a second by Council Member Walz, to go into executive session at 10:25 P.M. All present Council Members voted in favor. Motion carried. Pam Schaffner, Van Der Linden, Jeff Tschappat and Kappes stayed, while Mike Waltman and Allen Amen left during the executive session.

Council Member Tschappat moved, with a second by Council Member Yost, to exit executive session at 10:34 P.M. All present Council Member voted in favor. Motion carried.

Council Member Yost moved, with a second by Council Member Walz, to appoint Mike Waltman as Council Member for Leola Ward Three. Waltman was seated. Aman and Schaffner left the meeting at 10:40 P.M.

The Council reviewed the proposed road agreement to be entered into with Harm Trollip upon his signature.

The Council discussed accessing the need to hire someone to schedule the maintenance schedule and times to do needed maintenance so work needing to be done gets completed. The Council discussed the process of work to be done goes through Jeff Tschappat, along with the various work to be done in different areas.

The Council discussed the collection box at the park and current charges for staying in the park.

The Council discussed the accumulated equity of \$404.26 available to request from North Central Farmer Elevator. Mayor Schock signed the request.

Glenn Spitzer left the meeting at 11:05 P.M.

The Council discussed a letter from Lea Rath requesting the City's support in a memorial for John Daly. Council discussed that taking water and sewer service to the proposed location of a new crow's nest/concession area had already been approved.

The Council discussed the ballfields/football maintenance and the fact these ball programs were responsible and have been using the fields without being charged.

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

The Leola City Council will meet again in session in regular session on Monday, October 7th at 7:30 P.M. in the Council Room of the Municipal Building.

ATTEST:

Candice Kappes, Finance Officer

Dean A. Schock, Mayor of Leola

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