City of Leola -- Unofficial Council Meeting Proceedings

December 6, 2021

The meeting was called to order at 7:01 pm by Mayor Royce Erdmann. Present council members: Jackie Rau, Jackie Leibel, Richard Reis, Michael Yost, Alan Wimer, and Brett Schaible. City personnel present: Jim Hoffman, Jeff Tschappat and Sondra Waltman.

Waltman declared an error in the November 1 Council Minutes. Regarding the redistricting boundaries, two blocks would be moved out of Ward 2 and into Ward 1 (previously stated as Ward 3). Rau moved with a second from Reis to approve the regular council meeting minutes with the correction. All in favor, motion carried. The special meeting minutes were reviewed. Rau moved with a second form Yost to approve the minutes. All in favor, motion carried.

Yost moved with a second from Reis to approve the treasurer’s report. All in favor, motion carried.

After review, Yost moved with a second from Reis to pay the proposed bills. All in favor, motion carried.

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| **Bills to be Considered for December 2021** | | |
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| Agtegra | Air chucks, fuel | $ 203.39 |
| Aramark | Office Services/Supplies | $ 70.58 |
| Auto Owners | Vehicle Ins - 6 mo | $ 598.88 |
| Beck Law | Legal Advice/Abatement | $ 57.75 |
| Code Enforcement Specialists | October and November | $ 1,782.04 |
| Corporate Trust/US Bank | 4th Quarterly Pmt - Water Project | $ - |
| CorTrust Visa | Postage/Payroll Fees | $ 82.02 |
| Curt's Repair | Pickup battery | $ 175.00 |
| Dependable Sanitation | Garbage Collection/Dumpster | $ 996.18 |
| DRN | Tech Support | $ 23.70 |
| EMC | 2022 Renewal | $ 34,453.00 |
| Fire Safety First, LLC | Fire Ext. Checks/Maintenance | $ 138.40 |
| Gene's Oil Company | Gas & Diesel | $ 354.86 |
| Hawkins | Pool parts | $ 31.35 |
| Leola Library | Books, DVD, software | $ 256.17 |
| Maxwell Electric | Maintenance on CB Generator | $ 366.82 |
| McPherson Co. Herald | Notice/Minutes | $ 131.47 |
| Montana Dakota Utilities | Utilities | $ 2,316.58 |
| Rural Development | 116th Payment for Sewer | $ 4,021.00 |
| SD Health Lab | Water testing | $ 15.00 |
| SDML SD Governmental FO Assoc | Membership Dues | $ 40.00 |
| SDML | SDML Handbook | $ 60.00 |
| SDML | Membership Dues | $ 576.05 |
| SD State Treasurer | Sales Tax | $ 247.93 |
| SD Water & Wastewater Assoc. | Membership Dues | $ 30.00 |
| Significant Digits, Inc (SDI) | Meter Reading Software/Support | $ 650.00 |
| Ten-45 Grocery | Supplies | $ 20.95 |
| Valley | Telephone, Fax, Internet | $ 348.42 |
| Waltman, Sondra | Snacks for DW Retirement | $ 38.02 |
| Pam Walz | Books | $ 295.31 |
| Pam Walz | Mileage | $ 33.60 |
| WEB Water | Water for November | $ 6,050.35 |
| Payroll | Finance Office | $ 3,977.92 |
| Payroll | Government Buildings | $ 870.00 |
| Payroll | Library | $ 770.05 |
| Payroll | Mayor/Council | $ 37.80 |
| Payroll | Sewer | $ 2,916.66 |
| Payroll | Streets | $ 2,500.00 |
| Payroll | Pool | $ - |
| Payroll | Zoning | $ - |
| Payroll | SD Health Pool - Dec | $ 1,475.84 |
| Payroll | SS, Med, W/H, SDRS with Matches | $ 1,883.47 |
|  | Total | $ 68,896.56 |

WATER PROJECT: The substantial completion date of the water project is August 11, 2021. The project has a one-year warranty from that date.

At 7:15 pm a public hearing was held regarding rental agreements. No one was present to oppose the renewal of the rental properties, so Reis moved with a second from Wimer to approve and renew the agreements with the existing renters. All in favor, motion carried.

At 7:20 pm, Linda Schauer joined the meeting. A public hearing was held on Ordinance 2021-04 Licensing Provisions of Cannabis Establishments. Schauer inquired about not allowing an establishment in the city. Her research showed that Aberdeen was allowing one establishment per five thousand people, and has concerns about enticing the youth. Mayor Erdmann stated the law requires the city to allow a minimum of one, but the city can set restrictions beyond that. She thanked the council for their time and left the meeting. With no other communal concerns and no changes to the ordinance, Rau moved with a second from Wimer to have the second reading and moved for its adoption. All in favor, motion carried. Ordinance 2021-04 is as follows:

ORDINANCE NO.2021-04

AN ORDINANCE ADOPTING CHAPTER 7-10 LICENSING PROVISIONS FOR CANNABIS ESTABLISHMENTS IN THE CITY OF LEOLA.

BE IT ORDAINED BY THE MUNICIPALITY OF THE CITY OF LEOLA, MCPHERSON COUNTY, SOUTH DAKOTA, that the following shall be added to Title 7 Licenses, of the Leola City Municipal Code:

**CHAPTER 7-5**

**LICENSING PROVISIONS FOR CANNABIS ESTABLISHMENTS**

**7-10-1 PURPOSE AND INTENT**

The City Council of Leola enacts the following licensing ordinance in order to ensure that cannabis establishments within the unincorporated areas of the Leola Municipality operate in a manner which complies with state laws and regulations, protects the health, safety, and welfare of the general public, prevents potential conflicts and issues arising from ownership and employees, recognizes certain safety and security considerations, and minimizes risk of unauthorized use or access of cannabis by the general public.

**7-10-2 DEFINITIONS**

Unless an alternative definition is explicitly stated in this section, this chapter utilizes the definitions for cannabis-related terms which are defined by SDCL 34-20G-1.

**Cannabis (or Marijuana):** all parts of any plant of the genus cannabis, whether growing or not, in its natural and unaltered state, except for drying or curing and crushing or crumbling. The term includes an altered state of marijuana absorbed into the human body. The term does not include fiber produced from the mature stalks of such plant, or oil or cake made from the seeds of such plant. The term does not include the plant Cannabis sativa L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than three-tenths of one percent on a dry weight basis.

**Cannabis Cultivation Facility:** in addition to the definition in SDCL 34-20G-1, this term is further defined as a legally licensed entity that acquires, possesses, cultivates, delivers, transfers, transports, supplies, or sells cannabis and related supplies to a cannabis establishment.

**Cannabis Dispensary:** in addition to the definition in SDCL 34-20G-1, this term is further defined as a legally licensed entity that acquires, possesses, stores, delivers, transfers, transports, sells, supplies, or dispenses cannabis, cannabis products, paraphernalia, or related supplies and educational materials.

**Cannabis Establishment:** cannabis cultivation facility, a cannabis testing facility, a cannabis product manufacturing facility, or a cannabis dispensary.

**Cannabis Product Manufacturing Facility:** in addition to the definition in SDCL 34-20G-1, this term is further defined as a legally licensed entity that acquires, possesses, manufactures, delivers, transfers, transports, supplies, or sells cannabis products to a cannabis dispensary.

**Cannabis Products:** any concentrated cannabis, cannabis extracts, and products that are infused with cannabis or an extract thereof, and are intended for use or consumption by humans. The term includes edible cannabis products, beverages, topical products, ointments, oils, and tinctures.

**Cannabis Testing Facility:** in addition to the definition in SDCL 34-20G-1, this term is further defined as a legally licensed entity legally authorized to analyze the safety and potency of cannabis.

**Department:**the South Dakota Department of Health.

**7-10-3 LICENSE REQUIRED**

1. No cannabis establishment may be located or operate in the unincorporated area of the municipality without the appropriate valid and current cannabis establishment license issued by the City Council pursuant to this article. A violation of this provision is a Class 2 Misdemeanor. Each day of the violation constitutes a separate offense.
2. No cannabis establishment may be located or operate in the unincorporated area of the municipality without the appropriate valid and current cannabis establishment registration certificate issued by the Department pursuant to rules promulgated under SDCL 34-20G. A violation of this provision is a Class 2 Misdemeanor. Each day of the violation constitutes a separate offense.

**7-10-4 LICENSE APPLICATION**

1. An application for a cannabis establishment license must be made on a form provided by the City Council. No other application form will be considered.
2. The applicant must submit the following:
   1. Application fee of $5,000. The City Council will reimburse $2,500 for applicants who fail to obtain a registration certificate from the South Dakota Department of Health.
   2. An application that will include, but is not limited to, the following:
      1. The legal name of the prospective cannabis establishment;
      2. The physical address of the prospective cannabis establishment that meets the location requirements in 1.7, as well as any location requirements pursuant SDCL 34-20G and the administrative rules promulgated thereunder.
      3. The name, address, and birth date of each principal officer, owner, and board member of the proposed cannabis establishment.
      4. A sworn statement that no principal officer, owner, or board member has been convicted of a violent felony offense in the previous ten (10) years in any jurisdiction.
      5. Any additional information requested by the City Council.

**7-10-5 ISSUANCE OF LICENSE**

1. The City Council will issue a license unless:
   1. The applicant has made a false statement on the application or submits false records or documentation; or
   2. Any owners, principal officer, or board member of the applicant is under the age of twenty-one (21) years; or
   3. Any owner, principal officer, or board member of the applicant has been convicted of a violent felony offense in the previous ten (10) years in any jurisdiction;
   4. The proposed location does not meet the applicable location requirements found in 1.7 and under SDCL 34-20G;
   5. The proposed location does not meet all location requirements under SDCL 34-20G and the administrative rules promulgated thereunder;
   6. The license is to be used for a business prohibited by state or local law, statute, rule, ordinance, or regulation; or
   7. Any owner, principal officer, or board member of the applicant has had a cannabis establishment license revoked by the City Council or a registration certificate revoked by the state; or
   8. An applicant, or an owner, principal officer, or board member thereof, is overdue in payment to the County of taxes, fees, fines, or penalties assessed against or imposed upon the applicant in relation to any cannabis establishment; or
   9. The applicant will not be operating the business for which the license would be issued.
2. In the case of an application for a cannabis dispensary license, the City Council will reject the application if the limit on the number of cannabis dispensaries has been reached.

1. The license must be posted in a conspicuous place at or near the entrance to the cannabis establishment so that it may be easily read at any time.

**7-10-6 CITY NEUTRALITY AS TO APPLICANTS**

Upon request from the Department as to the City Council’s preference of applicants, the City Council will neither support nor oppose any registration certificate application under consideration by the Department. Likewise, if inquiry is made by the Department, the City Council will abstain from endorsing any application as beneficial to the community.

**7-10-7 LOCATIONS**

1. Cannabis Dispensary
   1. Dispensary shall not be located within a prescribed distance from certain existing uses as measured from the lot line of the property where the dispensary is proposed, to the lot line of the protected uses listed below:
      1. Shall not be located within 1,000 feet of a public or private school existing before the date of the cannabis dispensary establishment application. (34-20G-55)
      2. Shall not be located within 300 feet from a nonresidential daycare facility.
      3. Shall not be located within 300 feet from a public park, public pool or public recreational facility or library.
      4. Shall not be located within 300 feet of a religious institution.
      5. Shall not be located within 300 feet of a residence.
      6. No future development will cause a dispensary to become nonconforming due to the establishment of a protected use within the distance prescribed herein.
   2. Other location standards are as follows:
      1. No cannabis dispensary shall share premises with or permit access directly from another cannabis establishment, business that sells alcohol or tobacco, or if allowed by law, other cannabis establishment. (44:90:04:14)
      2. It shall be unlawful to operate a dispensary in a building which contains a residence or a mixed-use building with commercial and residential uses.
   3. General Provisions and Performance Standards for Dispensaries are shown below:
      1. No more than 1 cannabis dispensary shall be allowed to operate in the unincorporated area of the municipality at any time.
      2. No dispensary shall allow access entry to anyone under 18 years of age.
      3. Access control methods shall be installed pursuant to state requirements.
      4. Shall be located within a completely enclosed permanent structure. Mobile dispensaries are prohibited.
      5. Drive-through dispensaries are prohibited.
      6. Cannabis dispensaries may only operate between the hours of 8:00 a.m. and 6:00 p.m. Monday through Friday and not on Memorial Day and Christmas Day.
      7. Shall provide for proper disposal of cannabis remnants and/or by-products and shall not place waste items in exterior refuse containers.
      8. Retail products, storage, sales, and display areas shall be kept out of the public view and shall not be visible from the exterior of the building.
      9. Signage and advertising shall be limited to on premise signage only, no billboard advertising, pole signage is prohibited, and signage is limited to text only with no graphic displays or video.
2. Cannabis Cultivation Facility

1. Cannabis Cultivation Facility shall not be located within a prescribed distance from certain existing uses as measured from the lot line of the property where the cultivation facility is proposed, to the lot line of the protected uses listed below:

1. Shall not be located within 1,000 feet of a public or private school existing before the date of the cannabis cultivation establishment application. (34-20G-55)
2. Shall not be located within 300 feet from a nonresidential daycare facility.
3. Shall not be located within 300 feet from a public park, public pool or public recreational facility or library.
4. Shall not be located within 300 feet of a religious institution.
5. Shall not be located within 300 feet of a residence.
6. No future development will cause a cultivation facility to become nonconforming due to the establishment of a protected use within the distance prescribed herein.

2. General Provisions and Performance Standards for Cannabis Cultivation Facilities

* + 1. All cultivation operations shall be within a completely enclosed permanent building.
    2. Shall provide for proper disposal of cannabis remnants and/or by-products and shall not place waste items in exterior refuse containers.
    3. Shall provide for a ventilation and filtration system designed to ensure that odors from cultivation are not detectable beyond the property line. Ventilation and filtration systems shall meet the standards set forth by the State of South Dakota. All cultivation operations shall be within a completely enclosed permanent building or secured greenhouse facility.
    4. Security measures shall be installed as required by state regulations.
    5. Perimeter of the property shall be fenced with minimum of a six (6) foot high solid fence and security access gates.
    6. Signage and advertising shall be limited to on premise signage only, no billboard advertising, pole signage is prohibited, and signage is limited to text only with no graphic displays or video.

1. Cannabis Testing Facility
   * + 1. Cannabis Testing Facility shall not be located within a prescribed distance from certain existing uses as measured from the lot line of the property where the testing facility is proposed, to the lot line of the protected uses listed below:
2. Shall not be located within 1,000 feet of a public or private school existing before the date of the cannabis testing establishment application. (34-20G-55).
3. Shall not be located within 300 feet from a nonresidential daycare facility.
4. Shall not be located within 300 feet from a public park, public pool or public recreational facility or library.
5. Shall not be located within 300 feet of a religious institution.
6. Shall not be located within 300 feet of a residence.
7. No future development will cause a testing facility to become nonconforming due to the establishment of a protected use within the distance prescribed herein.

2. General Provisions and Performance Standards for Cannabis Testing Facilities

1. All testing operations shall be within a completely enclosed permanent building.
2. Shall provide for proper disposal of cannabis remnants and/or by-products and shall not place waste items in exterior refuse containers.
3. Shall provide for a ventilation and filtration system designed to ensure that odors from cultivation are not detectable beyond the property line. Ventilation and filtration systems shall meet the standards set forth by the State of South Dakota. All cultivation operations shall be within a completely enclosed permanent building or secured greenhouse facility.
4. Security measures shall be installed as required by state regulations.
5. Perimeter of the property shall be fenced with minimum of a six (6) foot high solid fence and security access gates.
6. Signage and advertising shall be limited to on premise signage only, no billboard advertising, pole signage is prohibited, and signage is limited to text only with no graphic displays or video.
7. Cannabis Product Manufacturing Facility
   * + 1. Cannabis Product Manufacturing Facility shall not be located within a prescribed distance from certain existing uses as measured from the lot line of the property where the manufacturing facility is proposed, to the lot line of the protected uses listed below:
8. Shall not be located within 1,000 feet of a public or private school existing before the date of the cannabis testing establishment application. (34-20G-55).
9. Shall not be located within 300 feet from a nonresidential daycare facility.
10. Shall not be located within 300 feet from a public park, public pool or public recreational facility or library.
11. Shall not be located within 300 feet of a religious institution.
12. Shall not be located within 300 feet of a residence.
13. No future development will cause a manufacturing facility to become nonconforming due to the establishment of a protected use within the distance prescribed herein.
    * 1. General Provisions and Performance Standards for Cannabis Testing Facilities
14. All manufacturing operations shall be within a completely enclosed permanent building.
15. Shall provide for proper disposal of cannabis remnants and/or by-products and shall not place waste items in exterior refuse containers.
16. Shall provide for a ventilation and filtration system designed to ensure that odors from cultivation are not detectable beyond the property line. Ventilation and filtration systems shall meet the standards set forth by the State of South Dakota. All cultivation operations shall be within a completely enclosed permanent building or secured greenhouse facility.
17. Security measures shall be installed as required by state regulations.
18. Perimeter of the property shall be fenced with minimum of a six (6) foot high solid fence and security access gates.
19. Extraction processes utilizing flammable liquefied gas shall not be located in any building containing Group A, E, I, or R occupancies as defined by the International Building Code.
20. Exit doors from extraction rooms shall swing in the direction of egress and be self-closing. Panic hardware shall be provided on door and where latching door hardware is provided panic hardware shall also be provided.
21. Extraction rooms, booths, or hoods, including ductwork where required for hazardous exhaust systems shall be protected by an approved automatic fire extinguishing system.
22. Signage and advertising shall be limited to on premise signage only, no billboard advertising, pole signage is prohibited, and signage is limited to text only with no graphic displays or video.

**7-10-8 BUILDING CODE**

All Cannabis Establishments are required to be constructed in conformance with the 2021 Edition of the International Building Code and International Fire Code.

**7-10-9 EXPIRATION OF LICENSE AND RENEWAL**

1. Each license expires one year from the date of issuance and may be renewed only by making application as provided in Section 1.4. Application for renewal must be submitted at least thirty (30) days before the expiration date. The license holder must continue to meet the license requirements to be eligible for a renewal.
2. The renewal fee $5,000. The City will reimburse $2,500 for applicants who fail to obtain a renewal of their registration certificate from the Department.
3. Failure to renew a license in accordance with this section may result in additional fees. Upon expiration of the license, the City may order closure of the cannabis establishment.
4. If a license holder has not operated an establishment for which it holds a license in the preceding twelve (12) months, the license will not be renewed.

**7-10-10 SUSPENSION**

1. A license may be suspended if the license holder or an employee or agent of the license holder:
2. Violates or is otherwise not in compliance with any section of this article.
3. Consumes or smokes or allows any person to consume or smoke cannabis on the premises of the cannabis establishment.
4. Knowingly dispenses or provides cannabis or cannabis products to an individual or business to whom it is unlawful to provide cannabis or cannabis products.
5. A license may be suspended if the license holder has its Department-issued registration certificate suspended, revoked, or not renewed by the Department or if the registration certificate is expired.
6. A license may be suspended if the license holder creates or allows to be created a public nuisance at the cannabis establishment.

**7-10-11 REVOCATION**

1. A license may be revoked if the license is suspended under Section 1.11 and the cause for the suspension is not remedied.
2. A license may be revoked if the license is subject to suspension under Section 1.11 because of a violation outlined in that section and the license has been previously suspended in the preceding 24 months.
3. A license is subject to revocation if a license holder or employee of a license holder:
   1. Gave false or misleading information in the material submitted during the application process;
   2. Knowingly allowed possession, use, or sale of non-cannabis controlled substances on the premises;
   3. Operated the cannabis establishment or the business of the cannabis establishment for which a license is required under this article while the license was suspended;
   4. Repeated violations of Section 1.12;
   5. Operated a function of a cannabis establishment for which the license holder was not licensed (e.g., a licensed cannabis cultivation facility conducting cannabis testing functions without a cannabis testing establishment license);
   6. A license holder, or an owner, principal officer, or board member thereof, is delinquent in payment to the city, county, or state for any taxes or fees related to the cannabis establishment;
   7. A license holder, or an owner, principal officers, or board member thereof, has been convicted of, or continues to employ an employee who has been convicted of, a disqualifying felony offense as defined by SDCL 34-20G; or
   8. The license holder has its Department-issued registration certificate suspended, revoked, or not renewed or the registration certificate is expired.
   9. The license holder allows a public nuisance to continue after notice from the City Council.

**7-10-12 SUSPENSION AND REVOCATION PROCESS**

1. The license holder will receive a notice of intent to suspend or notice of intent to revoke informing the license holder of the violation and the City Council’s intention to suspend or revoke the license. The notice will be hand delivered to the license holder or an employee or agent of the license holder or sent by certified mail, return receipt requested to the physical address of the cannabis establishment.
2. If the license holder disputes the suspension or revocation, the license holder has ten (10) days from the postmark date on the notice or the date the notice was hand delivered to request a hearing before a hearing panel, which will consist of the City Council Chairperson, Auditor and Sheriff.
3. A suspension will be for thirty (30) days and begins ten (10) days after the postmark date on the notice or the date the notice is hand delivered unless the license holder exercises its rights to process and appeal, in which case the suspension takes effect upon the final determination of suspension.
4. A revocation will be for one (1) year and begins ten (10) days after the postmark date on the notice or the date the notice is hand delivered unless the license holder appeals the revocation, in which case the revocation takes effect upon the final determination of revocation.
5. The license holder who has had the license revoked may not be issued any cannabis establishment license for one year from the date the revocation became effective.

**7-10-13 APPEAL**

An applicant or license holder who has been denied a license or renewal of a license or who has had a license suspended or revoked under this article may appeal to the City Council by submitting a written appeal within ten **(**10**)** days of the postmark on the notice of denial, nonrenewal, suspension, or revocation. The written appeal must be submitted to the Finance Officer, P.O. Box 108, Leola, South Dakota, 57456. The appeal will be considered by the City Council at a regularly scheduled meeting within one month of the receipt of the appeal.

**7-10-14 LICENSES NOT TRANSFERRABLE**

No cannabis establishment license holder may transfer the license to any other person or entity either with or without consideration, nor may a license holder operate a cannabis establishment at any place other than the address designated in the application.

**7-10-15 LIABILITY FOR VIOLATIONS**

Notwithstanding anything to the contrary, for the purposes of this article, an act by an employee or agent of a cannabis establishment that constitutes grounds for suspension or revocation will be imputed to the cannabis establishment license holder for purposes of finding a violation of this article, or for purposes of license denial, suspension, or revocation, only if an officer, director or general partner or a person who managed, supervised or controlled the operation of the cannabis establishment, knowingly allowed such act to occur on the premises.

**7-10-16 PENALTIES**

Any person who operates or causes to be operated a cannabis establishment without a valid license or in violation of this article is subject to a suit for injunction as well as prosecution for ordinance violations. Such violations are punishable by a maximum fine of five hundred dollars ($500.00). Each day a cannabis establishment so operates is a separate offense or violation.

**7-10-17 SEVERABILITY**

The provisions of this ordinance are severable. If any provision of this ordinance or the application thereof to any person or circumstance is held to be invalid, such invalidity shall not affect other provisions or applications of this ordinance which can be given effect without the invalid provision or application.

First Reading: 11-1-2021

Second Reading: 12-6-2021

Publication Date: 12-16-201

Effective Date: 1-5-2021

Royce Erdmann Sondra Waltman

Mayor, City of Leola ATTEST: Finance Officer, City of Leola

NOTICE OF ADOPTION

ORDINANCE No. 2021-04 ADOPTING CHAPTER 7-10 LICENSING PROVISIONS FOR CANNABIS ESTABLISHMENTS IN THE CITY OF LEOLA.

NOTICE is hereby given that Ordinance No. 2021-04 being an Ordinance adopting Chapter 7-10 Licensing Provisions for Cannabis Establishments within the city limits of the City of Leola, as set forth, was duly adopted by the City of Leola on the 6 day of December, 2021, and that such Ordinance shall be effective January 5, 2022.

Dated this 6 day of December, 2021

Royce Erdmann Mayor, City of Leola

At 7:30, McPherson County Deputy Sheriff Allie Hilgemann joined the meeting to discuss the monthly county law report. With no questions from the council, she was thanked for her services and left the meeting.

OLD BUSINESS

State Surplus/Vehicles: Council reviewed and discussed vehicle options. Reis moved with a second from Wimer to purchase a 2014 Dodge Ram 1500 with 77k miles listed for $19,175 from SD Federal Surplus Property in Huron. All in favor, motion carried. Waltman will contact SD Federal Surplus Property to verify the vehicle is still available. Reis moved with a second from Wimer to order two sets of magnetic decals for the new and old vehicles. All in favor, motion carried.

FBLA Angel Tree & Parade of Lights: The Angel Tree will be at the Finance Office through December 10 and the parade of lights was December 4.

SD Health Pool Rates: The 2022 renewal rate for a single health plan is increasing to $774.82 from $737.92 effective January 1.

Dog Tags: 2022 dog tags are available in the finance office. 2021 dog tags expire December 31, 2021. Only 26 tags for 2022 have been obtained. Late fees will be imposed after the due date. Unfortunately, the City of Leola will not be hosting a shot clinic like in years past.

Budget vs Actual:

Actual expenses were compared to the 2021 budget. Wimer introduced the following resolution to transfer contingency funds and moved for its adoption. Leibel seconded. All in favor, Resolution 2021-01 was duly adopted. Resolution 2021-01 was read as follows:

Resolution 2021-01 Contingency Budget Transfer

BE IT RESOLVED 2021-01 TRANSFER FROM CONTINGENCY BUDGET FUND

WHEREAS the City of Leola prepares and approves a budget each September for the following calendar year;

WHEREAS the budget for 2021 contains a contingency fund of $40,082.50 that can be transferred to any general fund account as provided for SDCL 9-21-6.1 with transfer to be made by resolution of the board from the contingency appropriation established pursuant to SDCL 9-21-6.1 and be moved to other insufficient appropriations as made in the 2021 adopted budget, transferring contingency to the following departments is estimated to discharge just obligations of said appropriations; and

THEREFORE, BE IT RESOLVED that the appropriation be transferred from the contingency budget to the following department budgets as follows:

101 General Fund: 410 General Government

101-41200-Mayor and Council, $1,800

101-41300-Election, $23

101 General Fund: 420 Public Safety

101-42300-Protection & Inspection/Code, $15,300

Total Contingency Budget Transfer $17,123

Dated this 6th day of December, 2021.

ATTEST:

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Sondra Waltman, Finance Officer Royce Erdmann, Mayor

NEW BUSINESS

Library checking Account: Schaible moved with a second from Rau to have the following signers on library checking account, Pam Walz (Librarian), Deb Weiszhaar (Library Board President), Sondra Waltman (Finance Officer), and Royce Erdmann (Mayor). All in favor, motion carried.

Year End Business: Discussion was held if a year end meeting was needed or not. Council felt if time allowed at the current meeting to discuss personnel and wages, an additional meeting was not required.

Tax Deeds: The county’s sale of land acquired by county tax deeds will be held Tuesday, December 7. If a property does not sell, discussion will be continued at the next meeting.

Holiday Hours: Due to Christmas and New Year’s Day being on a Saturday, Wimer moved with a second from Reis to observe December 24 and 31 as holidays for employees. All in favor, motion carried.

Insurance Renewals: An overview of the proposed 2022 policy was shared with the council. An annual renewal of $34,453 was accepted by the council and approved to renew January 1, 2022.

COMMITTEE REPORTS

Street, Alley & Restricted Use Site: Discussion was held on when to plow the streets. Maintenance stated they were waiting for a harder freeze before plowing to prevent road damage. Oban Construction has been contacted to grind concrete at the Restricted Use Site and the city is on a waiting list. Exploring options to dispose of the metal debris at the RUS, Meyer Salvage Yard would bring a container, pick it up when it is full and pay $75/ton for the metal. Schaible moved with a second from Reis to contact Meyer and arrange for the container when the ground freezes. All in favor, motion carried. Fill dirt was discussed. There is no expense to use it and it is available for Leola citizens residing in the community.

Water & Sewer: There were 40 late letters, 11 postings and 2 disconnected for nonpayment.

Park, Recreation & Pool: Concerns of the water levels in the pool have been expressed. Maintenance will check and monitor them. Electricity is still on at the campgrounds. Since the camping season has ended, the power needs to be disconnected. Waltman will contact MDU.

Building & Equipment: A sewer smell was reported in the Citizen’s Building. Maintenance will check and fill water traps as needed. Discussion was held on the condition of the skidsteer tires. Years back, other tires were purchased with better tread, but not filled with foam. Maintenance was told to put the tires with better tread on for winter and can use the filled tires in the spring/summer when the RUS is open.

Code Enforcement, Law Enforcement & Library Reports: A quote was opened from Rod Hoffman for the abatement on 709 Conklin Street. The quote was for $5,950 and that did not dig up the concrete basement or include fill. Reis moved with a second from Wimer to accept the quote pending the condition of Hoffman also breaking the concrete base for drainage. All in favor, motion carried. The updated code enforcement list was reviewed along with the library report.

Zoning: The McPherson County’s Department of Equalization is hosting a zoning meeting on Thursday, December 9 at 1 pm.

COMPLAINT FORMS: None.

PUBLIC COMMENTS: None.

UPCOMING MEETINGS: The next council meeting will be Monday, January 3rd at 7 pm.

CORRESPONDENCE: None.

ADDITIONAL TOPICS: Now that the city is set up with Advanced Asset Alliance, Waltman inquired about three delinquent accounts to be sent. Council wished to proceed with the next steps with AAA.

EXECUTIVE SESSION: At 9:02 pm Wimer moved with a second from Rau to enter executive session for personnel discussion. All in favor, motion carried. At 9:44 pm, executive session ended. Rau moved with a second from Wimer to set the following wages for 2022: Sondra Waltman, Finance Officer, $40,000; Jeff Tschappat, Public Works/Maintenance, a $38,850; James Hoffman, Public Works/Maintenance, $33,300; Pam Walz, Librarian, $12/hour; Librarian Substitute, $10/hour; and Zulma Velazquez, $12/hour. All in favor, motion carried.

At 9:50 pm, Reis moved with a second from Wimer to adjourn. All in favor, motion carried.

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Royce Erdmann, Mayor ATTEST: Sondra Waltman, Finance Officer

The city is an Equal Opportunity Provider and Employer

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