

October 7th, 2024 Meeting Minutes

The Castlewood City Council met on the above date at 7 pm with the following members present: Mayor Brian Ries, LeeAnne Dufek, Jeanette Bohls, Stef Goldhorn and Heather Schmit, Beau Schooley and Chad Ries joined the meeting later on. Also present: Logan Kool, John Schmit, Doug Gerhold, Travis and Michele Smith. Shane Mack joined the meeting later on.

The meeting was called to order by the Mayor and the pledge of allegiance was led by the Mayor.

The agenda was presented. A motion was made to approve the agenda by H. Schmit and seconded by Dufek, all member's present voting aye and the motion passed.

There was no public comment.

A motion was made to approve September's regular meeting minutes as well as the additional two special meeting minutes' by Goldhorn and seconded by Bohls. All members present voting aye and the motion passed.

A motion was made to approve the October bills with the addition of Sioux Rural Water's bill of \$15,914.20 and WinWater's golf course bill of \$3,870.00 by Dufek and seconded by Schmit. All members present voting aye and the motion passed.

GENERAL FUND

WAGES	PAYROLL	19316.85
BRIAN RIES	CELLPHONE REIMBURSEMENT	30.00
CASTLEARTS	WEBSITE UPDATES	260.00
CITIZENS STATE BANK	ACH UTILITY PAYROLL FEES	20.00
TWOTREES TECHNOLOGIES	COMPUTER SOFTWARE	62.50
DELTA DENTAL	GROUP INSURANCE	48.70
GREAT AMERICA	COPIER LEASE	109.05
HAMLIN COUNTY REPUBLICAN	PUBLISHING & ENVELOPES	578.53
ITC	UTILITIES	275.65
OFFICE PEEPS	OFFICE SUPPLIES	88.09
OTTERTAIL	UTILITIES	2490.98
VISA	FINANCE STREETS SUPPLIES	1135.34
STAR LAUNDRY	RUG RENTAL	76.56
HAMILN COUNTY AUDITOR	POLICE CONTRACT	4008.33
ALL SEASON DUST CONTROL	DUST CONTROL	2530.50
BLACKHAWK CONSTRUCTION	CULVERT INSTALLATION	1632.66
ESTELLINE COOP	STREETS REPAIRS	217.69
HAMLIN HIGHWAY DEPT	STREETS SUPPLIES	896.96
LYLE SIGNS	STREETS SUPPLIES	275.99
NORHTWESTERN ENERGY	UTILITIES	15.19
SD DEPT REVENUE	SANITATION SALES TAX	331.69
POPHAM CONSTRUCTION LLC	STREET SWEEPING	4666.20

BASS SANITATION	SOLID WASTE COLLECTION	4980.00
DAKOTA DUMPSTERS	ROLL OFF RENTAL	962.90
ROY'S SPORT SHOP	REC SMALL EQUIPMENT	74.97
CASTLEWOOD ELEVATOR	PARK SUPPLIES	118.82
ESTELLINE COOP	PARK FUEL	39.28
KEVEES HOMETOWN GROCERY	PARK SUPPLIES	16.78
FIRST PREMIER BANK	LIBRARY RENTAL	150.00
JAN SCHIERNEBECK	LIBRARY SUPPLIES	20.75
BITUMINOUS PAVING, INC.	IMPROVEMENTS	73783.50
GENERAL FUND TOTALS		119214.46

WATER FUND

WAGES	PAYROLL	430.60
BANNER	WATER - FEES	103.14
DAKOTA SURVEILLANCE	WATER - REPAIRS & MAINTENANCE	112.50
OTTERTAIL	WATER - UTILITIES	123.05
SOUTH DAKOTA RURAL DEVELOPMENT	Water - Loan Principal	2515.72
SOUTH DAKOTA RURAL DEVELOPMENT	Water - Loan Principal	717.95
SOUTH DAKOTA RURAL DEVELOPMENT	Water - Loan Interest	212.04
SOUTH DAKOTA RURAL DEVELOPMENT	Water - Loan Interest	519.05
SD PUBLIC HEALTH	WATER - SUPPLIES	28.00
SIOUX RURAL WATER	WATER - SIOUX RURAL WATER	15914.20
WATER FUND TOTALS		20676.25

SEWER FUND

WAGES	PAYROLL	322.95
BANNER	SEWER OTHER	4906.05
GREEN APPLE SEPTIC TANK SERVIC	SEWER REPAIRS & MAINTENANCE	320.00
OTTERTAIL	SEWER - UTILITIES	226.77
TEAM LAB	SEWER REPAIRS & MAINTENANCE	1200.00
WATERTOWN WHOLESALE	SEWER SUPPLIES	198.60
SEWER FUND TOTALS		7174.37

GOLF COURSE FUND

WAGES	PAYROLL	12530.12
AUTO VALUE	GOLF REPAIRS & MAINTENANCE	96.56
BASS SANITATION	GOLF UTILITIES	360.00

CREATIVE REWARDS	GOLF SUPPLIES	7.97
DAKOTA PORTABLE TOILETS	Golf Services & Fees	195.00
DELTA DENTAL	GOLF GROUP INSURANCE	48.70
DOUGS SERVICE & MARINE	GOLF REPAIRS & MAINTENANCE	652.88
ELLWEIN BROTHERS	Golf Beer	1659.95
ESTELLINE COOP	GOLF REPAIRS & MAINTENANCE	1564.65
HAMLIN COUNTY REPUBLICAN	GOLF OTHER	120.00
HD ELECTRIC	GOLF UTILITIES	962.41
ITC	GOLF UTILITIES	234.92
J&L MACHINE AND WELD	GOLF REPAIRS & MAINTENANCE	301.38
JOHSON BROS OF SOUTH DAKOTA	GOLF LIQUOR	601.33
KEVEES HOMETOWN GROCERY	Golf Food	129.62
KEVEES HOMETOWN GROCERY	GOLF POP	420.94
MENARDS	GOLF REPAIRS & MAINTENANCE	139.74
MENARDS	GOLF SUPPLIES	86.89
NB GOLF	GOLF REPAIRS & MAINTENANCE	306.78
P/3 ELECTRIC	GOLF REPAIRS & MAINTENANCE	419.00
PORTER DISTRIBUTING CO.	Golf Beer	194.95
SD DEPT REVENUE	GOLF COURSE SALES TAX	2101.00
SDRA	GOLF OTHER	195.00
SKYVIEW CBS	GOLF REPAIRS & MAINTENANCE	1215.39
VISA	GOLF SUPPLIES	123.75
GOLF COURSE TOTALS		24668.93

Mayor Report. None.

Finance Report. Ruesink provided council with the bank reconciliation which is an accurate reflection of the accounting software, there is a zero balance with what was reconciled versus reported. Ruesink also provided council with the most recent payroll report. Ruesink stated city offices would be closed Monday, October 14th for the holiday. Ruesink would also be at a grant writing work shop in Arlington on Tuesday, October 16th with other local area finance officers.

Maintenance Report. None.

Golf Report. Gerhold had a pump freeze up in the pond, the pump was covered under warranty but the motor was not, which was what the bill from WinWater was for listed above. Gerhold wanted to thank Gerhold Brothers and crew for their assistance with the pump freeze up in the pond. Gerhold put in the new window in the maintenance shop and the hoist was in the shop, it just needed some finish welding work. Oktoberfest was a huge success and the course would be wrapping up for winter.

Sump Pump Ordinance. Council discussed the final edit from the city attorney and would have a first reading of the ordinance next month.

2nd Reading of 2025 Appropriations #24-9. A motion was made to approve the 2nd reading of 2025 Appropriations Ordinance #24-9 which included the \$75,000 for exercise equipment at the Wellness Depot by Bohls and seconded by Dufek. All members present voting aye and the motion passed.

ORDINANCE #24-9 2025 APPROPRIATION ORDINANCE

Part I: Be it ordained by the City of Castlewood that the following sums are appropriated to meet the obligations of the municipality:

GENERAL FUND

General Government

Mayor, Council, General	21,530	
General Fund Contingency	10,142	
Elections	800	
Attorney Services	5,000	
Finance Office	125,508	
Gov't Building	53,400	206,238

PUBLIC SAFETY

Police	60,000	60,000
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PUBLIC WORKS

Street and Alleys	136,555	136,555
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CULTURE & RECREATION

Parks and Recreation	25,785	
Library	7,322	33,107

SOLID WASTE

Garbage	66,906	
Rubble Site	7,188	
Code Enforcement	3,000	77,094

TOTAL GENERAL FUND

523,136

TOTAL TAX SUPPORTED FUNDS

BUSINESS IMPROVEMENT DISTRICT

109,413

MUNICIPAL STREET

85,000

SELF SUPPORTING FUNDS

Water Fund	152,850	
Sewer Fund	59,413	
Golf Fund	250,000	
Wellness Fund	66,400	528,663

TOTAL APPROPRIATIONS

1,246,212

2025 APPROPRIATION ORDINANCE

PART II: The following designates the fund or funds that money derived from the following sources is applied to:

GENERAL FUND

Cash on Hand	
General Property Taxes	346,200
Licenses & Permits	3,800
Bank Franchise	2,500
Motor Vehicle Comm. Prorate	3,000
Liquor Tax Reversion	4,000
Motor Vehicle Licenses	10,000
Local Gov't Highway & Bridge	21,000
County Road Tax	1,500
County Wheel Tax	230
Concessions Revenue	3,000
Rec Program Fees	6,000
Interest	50,000
Rentals	1,000
Campground Income	4,000
Garbage Charges	63,000
Garbage Non Operating Income	3,906
TOTAL MEANS OF FINANCE	523,136

MUNICIPAL STREET REVENUE

Cash on Hand	
Sales Tax Revenue	100,000
Total Expenditures	85,000
Estimated Surplus	15,000

BUSINESS IMPROVEMENT DISTRICT

Cash on Hand	
Sales Tax Revenue	100,000
Misc Income	19,965
Investment Earning	12,698
Total Expenditures	109,413
Estimated Surplus	23,250

ENTERPRISE FUNDS

	Water	Sewer	Golf	Wellness
Estimated Unappropriated Fund Balance				
Estimated Revenue	152,850	130,000	250,000	66,400
Less Estimated Appropriations	152,850	59,413	250,000	66,400
Estimated Surplus	0	70,587	0	0
Estimated Surplus to be transferred	-0-	-0-	-0-	0

PART III: The following is a summary of those funds for which spending authority has been approved by the Electorate:

PART IV: The Finance Officer is directed to certify the following dollar amount of tax levies made in this ordinance to the County Auditor: FOR GENERAL PURPOSES: \$346,200.00

Mayor

ATTEST:

Logan Ruesink, Finance Officer

First Reading: September 4, 2024
Second Reading: October 7, 2024

Water Loan Payoff. Ruesink contacted Rural Development and there was no penalty for early payoff to free up some revenue in the water budget for next year. A motion was made to approve the payoff for

the water loan in the amount of \$23,581.62 by Dufek and seconded by H. Schmit. All members present voting aye and the motion passed.

Storm Sewer System Drainage at Main and 4th. J. Schmit contacted a company for drain tiling from N 2nd Ave to 4th Ave via Main St. The company concluded that tiling would be too much and suggested reshaping the ditches, get them back to where they should be, and removing sediment from the culverts. J. Schmit would work on getting quotes for that work. Dufek mentioned the gully needing to be cleaned out for spring flooding and requested a quote be obtained for that as well.

Other Old Business. None.

Pump Houses. J. Schmit stated earlier that the city needed to abandon well #2, Thein Well would fill it in and take care of the necessary state paperwork for \$6,000.00 A motion was made to approve Thein Well doing the work to abandon well #2 by Dufek and seconded by H. Schmit. All members present voting aye and the motion passed.

Schooley joined the meeting at 7:12 p.m.

Cemetery Water Meter. Councilman Goldhorn is the President of the Castlewood Cemetery and explained to council that it is not currently metered for water and with the new hook up to SRW he wondered what they need to do there. They do not irrigate and the only water being used is for the black dirt for burials. J. Schmit said that the city had a meter pit on hand and it would be best to just meter it and see where they are at. J. Schmit would get quotes on the cost to dig the meter pit.

Golf Course Liquor License to Municipal License. Mayor Ries explained a new law took effect where a new liquor license was created for municipalities with recreation facilities that serve liquor. If the golf course license was moved to a municipal license, it would free up another liquor license in city limits. A motion was made to approve the golf course under a municipal license by Bohls and seconded by Goldhorn. All members present voting aye and the motion passed.

Garbage Contract. The city's garbage contract was up for auto-renew with Bass Sanitation at the end of the year, Mayor Ries asked council if they wanted to put it out for bid or auto-renew Bass's contract. A motion was made to approve a call for bids for the city garbage contract by Bohls, there was no second. Motion fails.

Snow Removal on Main Street. Discussion was had on snow removal on Main St referencing the ordinance on the time allowed (72 hours) for businesses and landowners to remove snow on their sidewalks. Popham Construction snow removal on main street was discussed. The city would also have to clear snow from the new Wellness Depot and wouldn't be able to pack snow into the old bus barn parking lot as it was fenced off due to construction. More discussion on all of this would be held at the November 4th meeting.

Spilde Developer's Agreement. Ruesink discussed Spilde's Developer's Agreement on Spilde 1st Addition lots 1, 2 and 3 after being approached by a potential landowner on the specifics of this document. The document stated that the developer had an obligation to bring sewer and water to the lots before any building permits could be issued or changes in zoning classifications. There was a provision in the agreement that would allow for a private septic system to be used until city sewer mains were extended upon approval from council. The city attorney stated council could terminate this developer's agreement

if they voted to do so and it would allow septic tanks on lots 2 and 3 as they were more than 400 feet away from the city sewer main. Terminating the agreement would also allow for the city to potentially cost share with the owner of lot 1 on a proposed 8 plex to get city sewer to the lot and expand rental opportunities in Castlewood. The city attorney also confirmed that any other lots in town that were more than 400 feet away from the city sewer main would be allowed a septic tank per city ordinance. Travis and Michele Smith were present and strongly encouraged council to terminate this agreement so that they could potentially expand their business operations in Castlewood. Mayor Ries stated this was listed as a discussion item on the agenda and that a vote could be had on this at the November meeting.

Main Street Parking. Mayor Ries asked council as he was approached by the public about the need for lines painted on Main Street. Council discussed and concluded that it was not a big enough issue to spend the money involved in painting lines on Main Street.

A motion was made to go into executive session at 7:43 p.m. for Personnel (SDCL 1-25-2 (3) by Dufek and seconded by Bohls. All members present voting aye and the motion passed.

C. Ries joined the meeting and executive session at 8:04 p.m.

The Mayor declared council out of executive session at 8:05 p.m.

Drainage between Merrill St and Main. Shane Mack was present for this agenda item to further discuss with council his concern about the water runoff from the new house build across the alley from his property. Mack proposed council pay \$7500.00 for materials for a retaining wall built on the edge of his property line and he would supply the labor to take care of this issue. Mack also stated if council did not like the retaining wall idea, he proposed looking into cutting down the alley which would also resolve the issue. Council would talk with Don Weigel at Banner to see how much of the alley would need to be cut down and if this would be a fair solution for all adjacent landowners.

A motion was made to adjourn at 9:06 p.m. by H. Schmit and seconded by Goldhorn. All members present voting aye and the motion passed.

Logan Ruesink
Finance Officer