

Castlewood City Council
December 7, 2020

The Castlewood City Council met in regular session on the above date at 7:00 p.m. with the following members present: Jeanette Bohls, Heather Schmit, Jenny Olson, Jeff Shepherd, Chad Ries, Michelle Barker and Mayor Brian Ries. Also present: Rick Ries, Sheila Gerhold, Alisha Nielsen, Ruth Fodness, Rich and Lois Wiarda, Cliff Ruesink, Angie and Justin Heyn, LeeAnne Dufek and Shawn Beck. Joe Munson and Greg Maag attended the meeting via teleconference.

The meeting was called to order by the mayor.

The agenda was presented for approval. The golf carts were added to the agenda. A motion by Schmit and seconded by C. Ries to approve the agenda with the added item. All members present in favor and motion passed.

The Pledge of Allegiance was led by Mayor Ries.

The minutes of November 4th, 2020 were approved on a motion by Bohls and seconded by Barker with all members present in favor and motion passed.

The following bills were presented and ordered paid on a motion by Schmit and seconded by Olson with all members present voting aye and motion passed:

GENERAL FUND: Wages 323.23; Brian Ries, cell phone 30.00; First Premier Bank, library rent 150.00; Bass Sanitation, garbage haul 30.00; Castlewood Farmer's Elevator, supplies 55.48; Hamlin County Auditor, police contract 3250.00; Office Peeps, technology for zoom meetings & supplies, 2187.17; Hamlin Co. Republican, publishing 169.63; Janice Schiernbeck, books 16.94; Kegan Tvedt, supplies 30.00; Christian Book Distributors, books 192.00; Barnes & Noble, books 364.87; Menard's, supplies 292.43; JW Roll Off Service, clean up days 767.88; Castlewood Corner Market, supplies 47.42; Heyner Welding, repairs 334.49; Popham Construction, sweep streets 150.00; Ottertail, utilities 2519.92; ITC Communications, utilities 146.92; Estelline Coop, supplies 338.65; Northwest Energy, utilities 185.86; H-D Electric, street light 19.18; Electronic Federal Tax Payment, ss & wh 53.55.
TOTAL GENERAL FUND DISBURSEMENTS: \$11,655.62.

MUNICIPAL STREET FUND: Cadwell Sanford Deibert & Garry, LLP, lawyer fees 900.00.

WATER FUND: WAGES 2167.27; Electronic Federal Tax Payment, ss & wh 599.19; SD Health Pool, group insurance 735.47; Visa, supplies 9.20; Rural Development, payment 1237.00; SD Retirement, retirement 337.72; AFLAC, group ins. 87.58; Delta Dental, group ins. 41.20; Ottertail, utilities 180.35; Winwater, supplies 329.38; Banner & Associates, engineer fees 1250.00; SD Public Health Laboratory, water testing 28.00.

TOTAL WATER FUND DISBURSEMENTS: \$7002.36.

SEWER FUND: Wages 3101.86; SD Retirement, retirement 469.56; Electronic Federal Tax Payment, ss & wh 880.27; Visa, repairs 556.11; SD Health Pool, group ins. 735.47; Delta Dental, group ins. 41.20; Ottertail, utilities 600.66; ITC Communications, utilities 39.26; Richard Ries, cell phone 30.00; Menard's, supplies 135.96; Gerhold Brothers, repairs 2029.80.

TOTAL SEWER FUND DISBURSEMENTS: \$8620.15.

SOLID WASTE FUND: Bass Sanitation, contract 4950.00; Bass Sanitation, excess garbage 2020- 5424.50; Department of Revenue, sales tax 347.74.
TOTAL SOLID WASTE FUND DISBURSEMENTS: \$10,722.24.

GOLF FUND: Wages 3331.16; Electronic Federal Tax Payment, ss & wh 917.49; SD Health Pool, group ins. 615.40; SD Retirement, retirement 501.56; Delta Dental, group ins. 41.20; Green Apple Septic Service, septic tanks, 260.00; Stan Houston, air compressor rental 202.00; Estelline Coop, supplies 48.77; Gerhold Brothers, hauling 367.20; ITC Communications, utilities 5.27; Sturdevant's, repairs 26.45; Coca Cola, pop 25.00; TSYS Merchant Solutions, credit card fees 86.03; Department of Revenue, sales tax 258.97; H-D Electric, utilities 250.05; Visa, Supplies 33.66.
TOTAL GOLF FUND DISBURSEMENTS: \$6970.21.

TOTAL DISBURSEMENTS, all funds: \$45,870.58.

Public Comments: Cliff Ruesink expressed concerns on water pressure at the end of lines and also discussed the water improvements the city plans on borrowing money for. He also expressed concerns on the \$5000 business grant and the \$5000 housing grants. Some of the people that have received those grants have already sold the houses and businesses.

Mayors report: Mayor Ries stated the terms of Breanna Beebe and Landon Vetter are up for the Economic Development board. The city will advertise in the paper to see if there is any interest from individuals to be on the board.

Finance Officer's report: The city has received grant money for the mosquito grant and also money from Covid Relief Fund for the police contract. The city still has money to spend so additional supplies will be purchased plus a tv and laptop for the zoom meetings technology. Chelly Lewandowski paid off her loan with the city and thanked the council for their help with her business.

Building permits for December: Jim McElhaney, building permit reissued for new home.

The public hearing for the Water Improvement project was held. Greg Maag, representative of First District, and Joe Munson, City engineer, attended the hearing via teleconference. The project includes painting and upgrades to the water tower; replace 4" lines with 6" lines throughout the city. Total cost of the project is \$1,216,718. They are possibly looking at 2.125% interest for 20 years which could result in a water rate increase of \$12.00. The city would borrow \$800,000 and use \$400,000 of local funds for the remainder. Cliff Ruesink suggested that the city should do General Obligation bonds. The following resolution was approved on a motion by Bohls and seconded by Schmit with all members present in favor and motion passed.

RESOLUTION NO. 20-07

RESOLUTION AUTHORIZING AN APPLICATION FOR FINANCIAL ASSISTANCE, AUTHORIZING THE EXECUTION AND SUBMITTAL OF THE APPLICATION, AND DESIGNATING AN AUTHORIZED REPRESENTATIVE TO CERTIFY AND SIGN PAYMENT REQUESTS.

WHEREAS, the City of Castlewood (the "City") has determined it is necessary to proceed with improvements to its Water System, including but not limited to rehabilitating the water tower and installation of new water mains (the "Project"); and

WHEREAS, the City has determined that financial assistance will be necessary to undertake the Project and an application for financial assistance to the South Dakota Board of Water and Natural Resources (the "Board") will be prepared; and

WHEREAS it is necessary to designate an authorized representative to execute and submit the Application on behalf of the City and to certify and sign payment requests in the event financial assistance is awarded for the Project,

NOW THEREFORE BE IT RESOLVED by the City as follows:

1. The City hereby approves the submission of an Application for financial assistance in an amount not to exceed \$800,000 to the South Dakota Board of Water and Natural Resources for the Project.
2. The Mayor is hereby authorized to execute the Application and submit it to the South Dakota Board of Water and Natural Resources, and to execute and deliver such other documents and perform all acts necessary to effectuate the Application for financial assistance.
3. The Mayor is hereby designated as the authorized representative of the City to do all things on its behalf to certify and sign payment requests in the event financial assistance is awarded for the Project.

Adopted at Castlewood, South Dakota, this 7th day of December 2020.

Brian Ries
Mayor
City of Castlewood

ATTEST:
Sheila Gerhold
Finance Officer

Rich and Lois Wiarda, representing the Grow Castlewood Committee, attended the meeting to discuss the Wellness Center with the city council. They had a meeting and the Castlewood Community Foundation is unable to maintain the Wellness Center because of their nonprofit tax-exempt status. They would like the City to take control of the Wellness Center and splash park after they are built. A portion of the Wellness Center would have offices for maybe a lawyer, chiropractor, or doctor. Their estimated budget shows expenses at \$40,000 and income at \$40,000.

A motion by Schmit and seconded by Olson to go into executive session to discuss a contractual agreement at 8:12 p.m. A motion by Olson and seconded by Schmit to return to regular session at 8:16 p.m.

Ruth Fodness and Alisha Nielsen, representing the Economic Development Board, presented a new loan application for Terry and Angie Heyn to purchase Ship's Inn and also a \$5000 business grant. The loan is for \$155,000 at 4.5% with an amortization of 15 years with a balloon payment in 10 years. A motion by C. Ries and seconded by Olson to approve a contract for deed for Heyn's to purchase the Ship's Inn and also for the business grant. All in favor and motion passed.

Alisha Nielsen also informed the council they are having a Santa Lighted Parade on Wednesday, December 23rd and will be handing candy out.

The on and off sale liquor license for the Ship's Inn was presented for approval. A motion by C. Ries and seconded by Bohls to approve the licenses and also allow Mayor Ries to enter into an operating agreement with the Ship's Inn. All in favor and motion passed.

The Mediacom franchise was discussed. The council was given the last 4 years of the income of the cable tv franchise with ITC and also Mediacom. The finance officer is to call other area towns and see what their percentage for these franchises is. Tabled until the January meeting.

The joint City/School election agreement was presented for approval. A motion by Schmit and seconded by Barker to approve the agreement and allow Mayor Ries to sign it. All in favor and motion passed.

Ordinance 20-3 Supplemental Budget was presented for approval of the second reading. A motion by Bohls and seconded by Shepherd to approve the second reading of Ordinance 20-3 with all members present in favor and motion passed.

Discussion was held on the COVID Relief Fund. The city is purchasing technology for zoom meetings. A laptop and smart TV are left to purchase. The city will be reimbursed 100% for these purchases.

A profit/loss report was presented to the council on the golf course as of November 30, 2020. The golf course showed a profit of \$45,556.33 for the year. Profits were up \$39,944.48.

Discussion was held on purchasing a rough's mower for the golf course and the city to share. The mower would be used with less than 700 hours on it. A motion by C. Ries and seconded by Bohls to advertise for bids on this type of mower. All in favor and motion passed.

Sheila Gerhold, clubhouse manager, presented a quote from NB Golf Carts for upgrading 5 carts at the golf course. The carts the golf course has are 2004 EZ Go carts and we would trade in 5 carts for 5 2013 Precedent Club Cars for \$11,500.00. A motion by C. Ries and seconded by Barker to upgrade 5 carts with NB Golf Carts. All in favor and motion passed.

Discussion was held on the playground replacement for the football field. Councilman Shepherd presented a diagram of a plan for the playground equipment being placed on the west side of the softball fields. The diagram also had a driveway on the south end next to the rubble site for cars to be able to park in the high area by the south softball field. The council agreed with his plan.

Discussion on the Wellness Center and splash park was held. No action was taken but the council plans on having a public hearing to get the views from the taxpayers in Castlewood on the city taking over the Wellness Center and splash park after it is built.

A motion by Bohls and seconded by Barker to approve the General Journal entries for November with all members present in favor and motion passed.

A motion by Shepherd and seconded by Schmit to adjourn. The meeting adjourned at 9:10 p.m.

Sheila Gerhold
Finance Officer