

December 8, 2025 Meeting Minutes

The Castlewood City Council met on the above date at 6:00 p.m. with the following members present: Mayor Brian Ries, Jeanette Bohls, Heather Schmit, Chad Ries & Beau Scholey, absent: Stef Goldhorn & LeeAnne Dufek. Also present: Logan Ruesink, John Schmit, Deb McEldowney, Justin Bucher of Banner, Reuben Meyer, Jerry Gerberding, Justin Heyn, Brad Heyn, Sheryl Ward, John & Dawn Mickey & Russell & Lorie Mack.

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

A motion was made to approve the agenda by H. Schmit and seconded by Bohls, all members present voting aye and the motion passed.

There was no public comment.

A motion was made to approve the November meeting minutes with a correction on the golf course cart purchase from 4 to 5 carts by Bohls and seconded by H. Schmit, all members present voting aye and the motion passed.

A motion was made to approve the December bills by C. Ries and seconded by H. Schmit, all members present voting aye and the motion passed.

ACTIVE HEATING & COOLING 16938.81 FURANCE INSTALL, AMERICAN LEGION STATE HQ 220.00
FLAGS, AUTO VALUE 101.72 GOLF COURSE REPAIRS, BANNER 4831.50 ENGINEERING SERVICES,
BASS SANITATION 7140.00 SANITATION SERVICES, CANNON ELECTRIC LLC 1418.98 FINANCE
OFFICE ELECTRICAL, CASTLEWOOD MINISTERIAL ASSOC 100.00 REISSUE OUTSTANDING CHECK,
TWO TREES TECHNOLOGIES 559.50 COMPUTER SOFTWARE, CREATIVE REWARDS 157.50
PLAQUE, DAKOTA DUMPSTERS 1050.67 ROLL OFF RENTAL, DAKOTA PORTABLE TOILETS 209.87
GOLF COURSE SERVICES, DELTA DENTAL 96.40 GROUP INS, DEPT OF AG & NATURAL RESOURCES
50.00 DUES, ELITE DRAIN & SEWER 335.00 GOLF COURSE SERVICES, AXESS COOPERATIVE
428.68 GOLF AND STREETS MAINT, FIRST PREMIER BANK 150.00 LIBRARY RENT, GERHOLD
BROTHERS 6650.00 VALLEY SPILL WAY, GLACIAL LAKES EROSION CONTROL 1848.75 HYDRO
SEEDING 3RD AVE, GREAT AMERICA 202.73 COPIER LEASE, HAMLIN COUNTY TREASURER 384.78
PROPERTY TAXES OJALA LOT, HAMLIN COUNTY REPUBLICAN 274.23 PUBLISHING, HAMILN
COUNTY AUDITOR 4225.00 POLICE CONTRACT, HAMLIN HIGHWAY DEPT 687.25 SNOW
REMOVAL SALT SAND, HD ELECTRIC 343.78 GOLF COURSE UTILITIES, HEIMAN INC 524.00 FIRE
INSPECTION, ITC 482.10 UTILITIES, JASON WULF 21.38 UTILITY REFUND, MACK LANDSCAPING
LLC 76.87 WINTERIZE PARKS, MENARDS 248.21 STREETS REPAIRS AND MAINT, MY FITNESS
REWARDS 11.25 MONTHLY MAINTENANCE FEE, NORHTWESTERN ENERGY 190.22 UTILITIES,
OTTERTAIL 3043.65 UTILITIES, OVERHEAD DOOR 3142.05 FINANCE OFFICE ROLL UP DOOR,
POPHAM CONSTRUCTION LLC 6830.00 BRUSH CUTTING SNOW REMOVAL, RIVERSIDE

TECHNOLOGIES, INC. 300.00 WELLNESS MANAGED SERVICES, SOUTH DAKOTA RURAL DEVELOPMENT 1237.00 WATER LOAN, HEIDI SCHOOLEY 25.00 REFUND OUTSTANDING CHECK, SD DEPT REVENUE 306.22 WELLNESS SALES TAX, SOUTH DAKOTA DEPARTMENT OF REV 454.11 SANITATION SALES TAX, SIOUX RURAL WATER 5692.40 WATER PURCHASE, STAN HOUSTON EQUIPMENT COMPANY 30.00 GOLF COURSE REPAIRS, STAR LAUNDRY 308.96 RUG RENTAL, VISA 184.05 WELLNESS SUPPLIES, VISA 3.28 STREETS SUPPLIES, VISA 957.41 FINANCE OFFICE SUPPLIES, WW TIRE SERVICE - BRYANT 252.00 STREETS REPAIRS MAINT, PAYROLL 15527.49 PAYROLL, SOUTH DAKOTA RETIREMENT 1753.46 RETIREMENT, HEALTH POOL OF SOUTH DAKOTA 2689.90 HEALTH INSURANCE, EFTPS 3798.83 PAYROLL TAXES

Mayor Report. Mayor Ries reminded the public that although he welcomes group discussions with public input, sometimes there are too many conversations going on during the meetings when there are multiple people in the crowd and so he asked that people please raise their hands so that everyone can be heard.

Finance Report. Ruesink provided council with the current bank reconciliation which was an accurate reflection of the accounting software. There was a discrepancy last month with the three mortgage loans being overstated, an adjustment Ruesink has to make at the end of every year with the way those loans have always been coded. Ruesink wanted to just code the loans to investment earning and deferred revenue going forward and if council wanted a break out by business on these loans Ruesink could provide their amortization schedules. Ruesink had called into Daktronics multiple times regarding the city sign, they believe that the control panel is going out and could last another two weeks or ten years but when that happens they don't make those control panels anymore so a new sign would have to be purchased. Ruesink removed the date and time from the sign which were the two that were not syncing with the computer, but the new temperature gauge was still working and basic messages that do not use real time data.

Maintenance Report. J. Schmit wanted to remind everybody that it has to snow two inches or more before the city will be out plowing and most roads are only done once after a snow. J. Schmit also noted that the city sander was not working correctly and dumping piles of sand but he thought he had it fixed for the time being. The Christmas lights went up, but the Christmas tree may not be going up at the plaza as it does not fair well in wind.

Wellness Report. Wellness Depot manager McEldowney was present to deliver a report on the Wellness Depot in 2025. McEldowney and many others feel that the Wellness Depot is a great asset to the community keeping the public physically fit and the social impact it has with growing friendships. McEldowney listed all of the things happening at the Wellness Depot from the daily fitness classes with instructors to its partnership with local businesses to reward people utilizing the facility. McEldowney noted that Prairie Lakes' lease was up in April and that they were to give a 60 day notice if anything with the clinic will change. McEldowney stated it

didn't sound like there would be any changes with Sanford Health taking over Prairie Lakes, but she would keep the council updated.

Banner Drainage Study Reconsideration with Grant. The City of Castlewood was awarded a grant from East Dakota Water Development District in the amount of \$32,450.00 that would cover half of the cost of the drainage study by the City engineer Banner Associates. Justin Bucher of Banner Associates was present to share the news and request an answer on if the Council wanted to pursue the drainage study or not. A motion was made to approve the drainage study proposal from Banner Associates with a total cost of \$64,900.00 by C. Ries and seconded by Schooley. All members present voting aye and the motion passed.

Third Avenue Drainage Project if Study is Approved. Council discussed the Third Avenue Drainage Project of resetting culverts be put on hold until the drainage study was completed. Council would then use the recommendation from Banner and potentially turn that into a project for Third Avenue and other areas in town. In the meantime, graveling alleys affected by the previous culvert project and adding some fill to the steep ditches would be looked at in the spring. Justin Bucher stated cleaning out blocked culverts while the drainage study was being completed would be helpful too.

Facility Plan Banner November Report. Justin Bucher discussed with council the recent bid for the televising project and stated that Banner was very happy with the numbers and the interest in the project. Hydro-Klean, LLC of Des Moines, IA was deemed the low, responsive, responsible bidder by Banner who asked council to consider the award in the amount of \$71,205.00. A motion was made to award Hydro-Klean, LLC the televising project in the amount of \$71,205.00 by Bohls and seconded by H. Schmit. All members present voting aye and the motion passed. A motion was also made to approve the Mayor to execute the contract documents by Schooley and seconded by C. Ries. All members present voting aye and the motion passed.

Gulley Clean Out Update, Easements & Controlled Burn. J. Schmit stated the gulley clean out was completed by Popham Construction but it was quite wet with a couple feet of water still occupying the gulley. Spilde 1st Addition Lot 1 was also mowed as well as it could be by Popham Construction and the fence was taken out with permission from the landowner. The Mayor stated that the city attorney advised against a controlled burn in city limits if the council was still considering doing that in the spring. Council stated the landowner of Spilde 1st Addition Lot 1 would be expected to maintain the property and control the weeds moving forward, Ruesink was instructed to send a letter regarding weeds if they did not comply. J. Schmit also identified an area just west of the culvert on 4th Avenue that still needed trees cleaned out of the gulley from the tornado in 2022. Ruesink was instructed to involve code enforcement and send a letter about the trees needing to be cleaned up. Reuben Meyer was present to express his concerns about the gulley being too narrow and suggested the city widen the gulley in some areas. Council

and the public further discussed the gulley and what could be done to minimize flooding in the spring.

2nd Reading Ordinance 25-4 2025 Budget Supplement. Ruesink provided council with the updated budget supplement to include all expenditures from 2025. A motion was made to approve the second reading of Ordinance 25-4 2025 Budget Supplement by C. Ries and seconded by H. Schmit. All members present voting aye and the motion passed.

Ordinance #25-4
2025 Budget Supplement

(Amending Ordinance #24-9 ANNUAL BUDGET, 2025 Appropriation Ordinance)

BE IT ORDAINED by the City of Castlewood, South Dakota that the following sums are appropriated to meet the needs of the municipality in addition to the sums previously appropriated in the 2025 Appropriation Ordinance.

The Purpose of these appropriations is to provide spending authority in the current fiscal year to cover cost in these funds.

OTHER FINANCING USES:

414.2 Finance Office	\$ 11,600.00
419.2 Gov't Building	\$ 30,000.00
431.0 Streets	\$ 72,100.00
432.0 Sanitation	\$ 23,500.00
452.0 Park	\$ 35,500.00
602.0 Water	\$ 27,700.00
604.0 Sewer	\$ 47,500.00
459.0 Golf	\$ 105,000.00
450.0 Wellness	\$ 1,000.00
TOTAL APPROPRIATIONS	\$ 353,900.00
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SOURCE OF FUNDING:

Undesignated Fund Balance	\$353,900.00
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TOTAL FUNDING	\$353,900.00
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Dated this 8th day of December, 2025.

Passed First Reading: November 3rd, 2025

Passed Second Reading & Adopted: December 8th, 2024

Published: December 17th, 2025

American Legion Shed. The American Legion asked the council to again consider putting a permanent 10x12 shed up next to the east side of the community center as the Castlewood Fire

District did not approve the location of the shed on their property. Insurance considerations and setbacks were discussed as well as drainage and maintenance being able to move equipment around the shed. No action was taken on this item.

Other Old Business. J. Schmit suggested the Presbyterian Church drainage issues and culvert be discussed. Jerry Gerberding was present and stated that the 12-inch culvert had been cleaned out, refurbished and the sidewalk re-poured. J. Schmit explained that this took place while he was in Texas and the culvert was to be replaced with a larger culvert, per previous city council discussion. J. Schmit stated the city would provide the culvert and the Presbyterian church would just be responsible for the labor. Jerry Gerberding then stated the fifty-foot-long culvert running across Merrill Street under their parking lot needed to be cleaned out and possibly replaced. J. Schmit stated Elite Drain & Sewer looked at it and would not jet it, but again the city would provide a culvert and the Presbyterian Church would just have to provide the labor if they wanted it replaced.

Special Permit Request Mack. Russel & Lorie Mack were present to request a special permit to play rock or country music on Main Street daily from 8 a.m. to 9 p.m at a noise level of 3. They also provided a petition of 30 signatures of people requesting the city council revoke any resolution prohibiting Russell & Lorie from broadcasting music from their building. Russell Mack explained their intent is to make downtown more inviting with the music and stated they have had many compliments from people that have come to town regarding the music. H. Schmit works next door at Citizen's State Bank and expressed her concerns with their employees being able to hear the music during business hours. H. Schmit stressed that this matter needed to be settled as adults and no retaliation happens for whatever is decided. Justin Heyn was present to state his opinion on the matter from a Main Street business owners' standpoint; the current ordinance would put further restrictions on Ship's Inn having entertainment outside during the day and would require them to pull a special permit every time they wanted to play music. The Mayor suggested council rework the current ordinance and come up with a compromise where everybody wins. A motion was made to form a committee to rework the ordinance to come up with a solution for this by Bohls and seconded by Schooley. All members present voting aye and the motion passed.

Citizen's Bank CD Matured. The City owns a CD with Citizen's State Bank that matured on 12/04/25 in the amount of \$215,551.21. The previous rate in a 10 month special was 5% and the new rate if the City is rolled over would be 3.65%. A motion was made to roll the current CD into another 10 month special at the 3.65% interest rate by C. Ries and seconded by Schooley. Roll call vote C. Ries yay, Schooley yay, Bohls yay, H. Schmit abstained. Motion passed 3-0.

2026 Insurance Policy Renewal. A motion was made to approve the 2026 South Dakota Public Assurance Alliance insurance policy renewal for 2026 which reflected similar numbers from the

previous year by H. Schmit and seconded by C. Ries. All members present voting aye and the motion passed.

City/School Election Agreement. A motion was made to approve the 2026 City/School election agreement for a June election pending approval from the school board as their meeting was the same date and time by C. Ries and seconded by Bohls. All members present voting aye and the motion passed.

Payloader & Snowblade for Tractor. Streets and snow removal heavy equipment was discussed and upgrades were needed. A motion was made to approve up to \$25,000 for J. Schmit to purchase whatever he needed to keep the city streets clean this winter by C. Ries and seconded by Bohls. All members present voting aye and the motion passed.

Personal Training at Wellness Depot Proposal. Lexy Lundberg proposed to council offering personal training services at \$30.00/hour as an independent contractor. A motion was made to approve Lexy Lundberg as an independent contractor offering personal training services at \$30.00/hour at the Wellness Depot pending the need for additional insurance and on the terms that she and her clients both be members by Bohls and seconded by H. Schmit. All members present voting aye and the motion passed.

Cybersecurity Updates. The City entered into a memorandum with Dakota State University and Two Trees Technologies (formerly Connecting Point) to have a cybersecurity risk assessment completed. Two Trees told Ruesink there is grant money available and this assessment will cost the city very little. Preliminary recommendations include switching all city employees, departments, council members, the Mayor and the city website to .gov addresses. Ruesink stated the EPA already kicked the city email out of its system as it was a .com instead of a .gov address. A motion was made to approve the switch to .gov addresses by Schooley and seconded by H. Schmit. All members voting aye and the motion passed.

Resolution 25-7 Establishing Water Rates. A motion was made to approve Resolution 25-7 Establishing Water Rates at a \$36.00 minimum for 0-2,000 gallons and a rate of \$6.50/1,000 gallons for any usage above 2,000 gallons with an effective date of 01/01/2026 by H. Schmit and seconded by Schooley. All members present voting aye and the motion passed.

It was moved by H. Schmit and seconded by Schooley to adopt and pass the following Resolution:

**RESOLUTION NO. 25-7 ESTABLISHING WATER RATES FOR
THE CITY OF CASTLEWOOD**

Be it resolved that effective as of the 1st day of January 2026, the following water rates shall apply:

A monthly charge consisting of Thirty-Six (\$36.00) Dollars per month per connection and Six Dollars and Fifty Cents (\$6.50) per thousand gallons of water consumed for any usage in excess of 2,000 gallons is hereby imposed.

On roll call, all voting "aye", Resolution declared PASSED and ADOPTED on the 8th day of December 2025.

Resolution 25-8 Establishing Sewer Rates. A motion was made to approve Resolution 25-8 Establishing Sewer Rates at a \$35.00 monthly minimum per city sewer hook up with an effective date of 01/01/2026 by Bohls and seconded by H. Schmit. All members present voting aye and the motion passed.

It was moved by Bohls and seconded by H. Schmit to adopt and pass the following Resolution:

**RESOLUTION NO. 25-8 ESTABLISHING SEWER RATES FOR
THE CITY OF CASTLEWOOD**

Be it resolved that effective as of the 1st day of January 2026, the following water rates shall apply:

A monthly charge consisting of Thirty-Five (\$35.00) Dollars per month per connection is hereby imposed.

On roll call, all voting "aye", Resolution declared PASSED and ADOPTED on the 8th day of December 2025.

A motion was made to enter Executive Session for Personnel (SDCL 1-25-2(3) at 7:36 p.m. by C. Ries and seconded by H. Schmit. All members present voting aye and the motion passed.

The Mayor declared Council out of Executive Session at 7:44 p.m.

A motion was made to approve Christmas bonuses for all city departments including the following employees: the finance officer, the city maintenance superintendent, part time city streets maintenance/snow removal/groundskeeping employee, the part time dump site attendant, the park and rec concessions manager, the golf course superintendent, the golf course clubhouse manager, the golf course clubhouse employees, the golf course grounds maintenance employees, the city librarian, the city wellness center manager and the part time wellness center janitorial staff by Bohls and seconded by Schooley. Roll call vote Bohls yay, Schooley yay, C. Ries yay, H. Schmit abstained. Motion passed 3-0.

A motion was made to adjourn at 7:47 p.m by H. Schmit and seconded by Bohls. All members present voting aye and the motion passed.

Logan Ruesink
Finance Officer