

April 7th, 2025 Meeting Minutes

The Castlewood City Council met on the above date at 7:00 p.m. with the following members present: Mayor Brian Ries, Jeanette Bohls, Heather Schmit, LeeAnne Dufek, Beau Schooley, Chad Ries and Stef Goldhorn. Also present: Logan Ruesink, John Schmit and joining later Don Weigel and Dennis Rebelein of Banner Associates.

The meeting was called to order by the Mayor and the pledge of allegiance was led by the Mayor. A motion to approve the agenda with the addition of a new hire for a wellness center fitness instructor by H. Schmit and seconded by C. Ries. All members present voting aye and the motion passed.

There was no public comment.

A motion was made to approve March 3 & 17 meeting minutes by Bohls and seconded by Dufek. All members present voting aye and the motion passed.

A motion was made to approve the bills for April by Dufek and seconded by Goldhorn. All members present voting aye and the motion passed.

GENERAL FUND

WAGES	PAYROLL	18688.64
CASTLEARTS	WEBSITE MAINTENANCE	260.00
CITIZENS STATE BANK	ACH PAYROLL UTILITY FEES	20.00
DELTA DENTAL	GROUP INSURANCE	96.40
ELO PROF LLC	2024 AUDIT	7778.80
GREAT AMERICA	COPIER LEASE	133.81
HAMLIN COUNTY REPUBLICAN	PUBLISHING	198.24
ITC	UTILITIES	280.27
NORHTWESTERN ENERGY	UTILITIES	447.34
OTTERTAIL	UTILITIES	2583.68
VISA	SUPPLIES	645.51
COLONIAL RESEARCH	SUPPLIES	291.81
INTERSTATE POWER SYSTEMS	GENERATORS MAINTENANCE	892.00
SDML	WORKMAN'S COMP	874.00
STAR LAUNDRY	RUG RENTAL	153.10
HAMILN COUNTY AUDITOR	POLICE CONTRACT	4783.64
AXESS COOPERATIVE	STREETS REPAIRS AND MAINT	312.64
HAMLIN HIGHWAY DEPT	STREET SNOW REMOVAL	712.25
MACK LANDSCAPING	STREETS REPAIRS AND MAINT	200.00
POPHAM CONSTRUCTION LLC	STREET SNOW REMOVAL	800.00
SD DOT	STREETS REPAIRS AND MAINT	44.94
STAN HOUSTON EQUIPMENT COMPANY	STREETS REPAIRS AND MAINT	45.29
BASS SANITATION	SOLID WASTE COLLECTION	7140.00

SOUTH DAKOTA DEPARTMENT OF REV	SANITATION SALES TAX	448.49
ROY'S SPORT SHOP	REC SMALL EQUIPMENT	89.99
MENARDS	PARKS REPAIRS AND MAINT	569.76
BARNES & NOBLE, INC	LIBRARY SUPPLIES	172.00
FIRST PREMIER BANK	LIBRARY RENTALS	150.00
JAN SCHIERNBECK	LIBRARY SUPPLIES	10.29
GENERAL FUND TOTALS		48822.89

WATER FUND

BANNER	WATER - FEES	676.00
OTTERTAIL	WATER - UTILITIES	109.77
SOUTH DAKOTA RURAL DEVELOPMENT	Water - Loan Principal	554.85
SOUTH DAKOTA RURAL DEVELOPMENT	Water - Loan Interest	682.15
SD PUBLIC HEALTH	WATER - FEES	15.00
SIOUX RURAL WATER	WATER - SIOUX RURAL WATER	7627.55
WINWATER	WATER - REPAIRS & MAINTENANCE	1792.98
WATER FUND TOTALS		11458.30

SEWER FUND

DAKOTA PUMP & CONTROL	SEWER UNRESTRICTED NET ASSETS	36809.55
DAKOTA PUMP & CONTROL	SEWER REPAIRS & MAINTENANCE	792.85
GREEN APPLE SEPTIC TANK SERVIC	SEWER REPAIRS & MAINTENANCE	200.00
INTERSTATE POWER SYSTEMS	SEWER REPAIRS & MAINTENANCE	892.00
OTTERTAIL	SEWER - UTILITIES	227.75
TEAM LAB	SEWER REPAIRS & MAINTENANCE	112.00
SEWER FUND TOTALS		39034.15

GOLF FUND

WAGES	PAYROLL	5659.47
CHESTERMAN (COKE)	GOLF POP	1032.20
DAKOTA PORTABLE TOILETS	Golf Services & Fees	195.00
DELTA DENTAL	GOLF GROUP INSURANCE	96.40
HAMLIN COUNTY REPUBLICAN	Golf Services & Fees	15.00
HD ELECTRIC	GOLF UTILITIES	343.92
ITC	GOLF UTILITIES	288.40
J & M SOLUTIONS	GOLF REPAIRS & MAINTENANCE	43.01
GOLF FUND TOTALS		7673.40

WELLNESS FUND

WAGES	PAYROLL	2538.25
ITC	WELLNESS UTILITIES	199.56
NORHTWESTERN ENERGY	WELLNESS UTILITIES	197.25
RIVERSIDE TECHNOLOGIES, INC	WELLNESS SERVICES AND FEES	300.00
SD DEPT REVENUE	WELLNESS SALES TAX EXPENSE	496.71
STAR LAUNDRY	WELLNESS SERVICES AND FEES	77.92
VISA	WELLNESS SERVICES AND FEES	262.69
WELLNESS FUND TOTALS		4072.38

Mayor Report. None.

Finance Report. Ruesink explained that the sewer backed up over the weekend through the floor drains in the bathrooms and came through the wall into the finance office. The insurance adjuster came and the carpet will need to be replaced and possibly the floor in the bathrooms. The auditors came for a day and are wrapping up the 2024 audit, and they didn't see any big issues. Ruesink provided the latest payroll report as well as the bank reconciliation which was an accurate reflection of the accounting software and there was no variance in what was reconciled versus reported.

Maintenance Report. J. Schmit and Smith had to move some snow in March and are now transitioning to spring and getting the mowers ready to go. The trees at the dump still need to be burned off as J. Schmit was waiting for the go ahead from the fire department.

Golf Report. The golf course planned to open at the end of the week and the tree pile still needed to be burned off.

Crack Sealing Quote. Lot Pros Inc a crack sealing company recommended by Bituminous quoted the city \$15,000 for crack sealing this year. A motion was made to approve the quote from Lot Pros Inc in the amount of \$15,000 by C. Ries and seconded by Goldhorn. All members present voting aye and the motion passed.

Spring Newsletter. Ruesink had the Spring newsletter put together for council to be mailed out mid-April informing residents of what's going on in the city. There were no additions to the spring newsletter.

American Legion. The American Legion requested the purchase of a couple large tv's to mount on the south wall for bingo. City council did not want to see anything else mounted on the walls in the hall, they suggested a projector or portable tv carts for bingo.

Other Old Business. Contracts with the Fire Department, ambulance and the school were given for the use of city facilities and were under review by their boards.

Golf Course Employees, Misc and Gerhold Credit Card. All golf course employees would be returning for the 2025 season and the course would open this week. A motion was made to approve a credit card with a \$2,000 limit for Doug Gerhold by Schooley and seconded by Goldhorn. All members present voting aye and the motion passed.

Wellness Depot Parking & Policies. Concrete parking spaces and a sidewalk would be poured mid-May to the east of the wellness center running north. Landscaping would also be completed which included rocks around the entire building and an ADA approved concrete wheelchair ramp. The north side of the wellness center was to be all grass but the city could decide down the road if they wanted to add more parking. Wellness Depot policies were discussed and it was decided after contacting the insurance company that children 14 and older could use the entire facility without parental supervision and a signed waiver. Children under 14 are to be accompanied by a parent. The Mayor reminded council that we needed to be family friendly or family membership purchases would suffer. Prairie Lakes would be putting a tv with a display in the entryway of the wellness center at their own expense and liability. A motion was made to approve fitness instructor Tianna Beare at \$20.00 a class as a Wellness Depot employee by Bohls and seconded by Schooley. All members present voting aye and the motion passed.

Spring Building Permits, Variances, Replat/Rezone Discussion. Two potential variances were discussed for 411 N 6th Avenue and 704 E Gerhold Street on the side yard setback. The Mayor and council discussed that current ordinance states that in order for a variance to be approved there must be a hardship such as a unique lot size or the presence of the flood zone. 120 E Harry St submitted a building permit for a fence, 304 W Main St a house was demolished and 112 E Merrill a covered porch addition. Ruesink had some questions on if the county uses a city's determinations on zoning such as the agricultural district if that means that they are also taxed at the ag rate and the county said no it uses its own determinations for tax rates. Re-platting or rezoning a property for the sole purpose of changing your tax liability is not how to do that. Questions should be directed to the Director of Equalization as the City does not make any of those determinations.

Dennis Rebelein of Banner joined the meeting at 7:20 p.m.

2026 Election date. A new state law no longer allows for an April election date, therefore city council had to decide between June or November. A motion was made to approve the municipal election date of June 1st for 2026 and going forward the city election will now align each year with the primary election date to be held in June by C. Ries and seconded by Dufek. All members present voting aye and the motion passed.

2024 Annual Report. Ruesink presented the 2024 annual report for approval to be submitted to the Department of Legislative audit and also provided a comparison to 2023. The city received significant federal and state grants for the water project in 2023 so it appeared as though revenues were down in 2024 but that is not the case. Revenues and expenditures were comparable in 2023 and 2024. 2024 sales tax and property taxes were up as well as investment earnings as interest rates were great for our money market accounts. A motion was made to approve the 2024 annual report by H. Schmit and seconded by C. Ries. All members present voting aye and the motion passed.

First Premier CD. A motion was made to approve a \$500,000 certificate of deposit 7 month special at 3.85% through First Premier by Dufek and seconded by Goldhorn. All members present voting aye and the motion passed.

2024 Clean Drinking Water Report. City council reviewed the 2024 Clean Drinking Water Report, here is a link for the public <https://www.castlewoodcity.com/wp-content/uploads/2025/03/drinking-water-report-2024.pdf> A motion was made to approve the 2024 Clean Drinking Water Report by Bohls and seconded by H. Schmit. All members present voting aye and the motion passed.

May 5th Meeting Date Change. Council woman Bohls who was to be sworn in at the May meeting would not be able to attend the May 5th meeting, the meeting date was changed to Thursday, May 1 at 5:30 p.m.

Spilde 1st Addition Lot 1 \$25,000 Sewer Grant Allowed to Transfer. SODAK construction asked if a different developer were to purchase Spilde 1st addition lot 1 would the \$25,000 sewer grant transfer to the next owner if they did a similar project of multiple family housing. Council decided the grant would not automatically transfer, whoever purchases the lot would have to come in with their own plans and request the grant.

Generator Quote. J. Schmit provided council with a quote to fix the city's lift station generator seal for \$3500.00 from Interstate Power Systems. A motion was made to approve the repair invoice to fix the generator seal from IPS for \$3500 by C. Ries and seconded by Schooley. All members present voting aye and the motion passed.

Spring Sweeping Popham Quote. J. Schmit provided council with a spring sweeping quote for an initial \$2300.00 and then \$150.00 monthly sweep from Popham Construction. A motion was made to approve the street sweeping quotes for a one time \$2300.00 and \$150 monthly from Popham Construction by Schooley and seconded by Goldhorn. Roll call vote Schooley yay, Goldhorn yay, H. Schmit abstained, Dufek yay, Bohls yay, C. Ries yay, motion passes 5-0.

Don Weigel of Banner joined the meeting at 8:05 p.m.

Discussion on Scope of a Wastewater Facility Plan and Capital Improvement Plan with Banner. Dennis Rebelein and Don Weigel of Banner Associates were present to discuss getting sewer to 22 and a long term plan of projects the city would like to see in the next 25 years. Dennis explained the need to apply for a small community planning grant with DANR that the city would be awarded up to \$10,000 to cover some of the costs of a wastewater facility plan. The facility plan would analyze the lagoons, the lift stations, the pipes etc. and Banner recommended hiring a televising company to run a camera through all of our sewer pipes to identify any issues. Televising would cost around \$75,000, and the facility plan would be under \$60,000.00 which included finding a company to televise the pipes. Both of these things would need to be completed to potentially get funding or grant money for city sewer mains to highway 22. Council was not sure that the city would ever recoup the costs of putting sewer to highway 22 if there were not enough lots to develop. However the council did think that televising the pipes and a facility plan were a good start to improving the city sewer system. Banner would have a proposal with exact costs of the facility plan at the May 1st meeting. Don Weigel provided council with a 25 year capital improvement plan that they crafted for the City of Clear Lake and would have a proposal to do one for the City of Castlewood at the next meeting.

Lead & Copper Update. The State of SD had 20 samples of personal service lines from within city limits and the copper content came back with slightly higher numbers compared to the past due to the change from well water to Sioux Rural Water. J. Schmit contacted Hawkins and 9-13 gallons of a polyphosphate would need to be fed into the city water system every month which would cost around \$400.00 for chemical. An injection site would have to be placed in the Sioux Rural Water meter building along with a pump to feed the chemical at a cost around \$1500.00 for the pump. A motion was made to approve the chemical, equipment and work needed to fix the copper issue by C. Ries and seconded by Goldhorn. All members present voting aye and the motion passed

Castlewood Days 2025. The Mayor announced that it would be the 25th anniversary of Castlewood Days this year and requested the city pay for the porta pottys, the insurance and an additional \$1,000 for a kids event on Friday evening which included a magic show and mini golf. A motion was made to approve the city paying for the porta potty's, insurance and \$1,000 for the kids show by C. Ries and seconded by Bohls. All members present voting aye and the motion passed.

A motion was made to go into executive session for personnel (SDCL 1-25-2(3) at 9:12 p.m.

The Mayor declared council out of executive session at 9:22 p.m.

A motion was made to approve a \$50/month raise for Jan Schiernbeck, a \$1.00/hour raise for John Schmit for obtaining his sewer and water certificates, a \$1.00 raise for Stacy Smith and \$.50 for Dave Hlavinka by Schooley and seconded by Goldhorn. Roll call vote Schooley yay, Goldhorn yay, H. Schmit abstained, Dufek yay, Bohls yay, C. Ries yay, motion passes 5-0.

A motion was made to adjourn at 9:26 p.m. by H. Schmit and seconded by Goldhorn, all members present voting aye and the motion passed.

Logan Ruesink
Finance Officer