

Unapproved Minutes of the Montrose City Council

The Montrose City Council meeting was held on December 11, 2018 in the Community Center, Montrose, SD. The meeting was called to order by Mayor Paul Klaudt at 7:00 pm. The Pledge of Allegiance was recited. Present were Mayor Paul Klaudt; Council Members Tony Heumiller, Robert Hoiten, Susie Painter, and Jake Tysdal; Maintenance Supervisor Daryl Sieverding; Daycare Director Katie Stiefvater; and Finance Officer Sara Smith. Two members of the community were present.

Mayor Klaudt reminded all in attendance to adhere to the Rules of Decorum.

Motion by Heumiller, 2nd by Painter to approve the agenda. All approved. Motion by Painter, 2nd by Tysdal to approve the minutes from 11/13/18. All approved.

DEPARTMENT REPORTS:

Sieverding reported that a property inventory for the city shop still needs to be completed. It will be done by the next meeting.

Brooms for street cleaning still need to be purchased. Water usage is down drastically following identification of a major water leak past a curb stop on private property on Main Street. Water service to that location has been turned off until repairs are made. The sander truck is fixed and chains have been put on.

Stiefvater reported the daycare is at maximum capacity. An unannounced food program inspection was done on November 21.

Updates to the baby room are being made with new paint and cabinetry. The daycare had a loss for the month of November due to the three paycheck month and a large grocery order. The daycare should still finish the year with a net profit.

Smith reported on water loss rate analysis. Prior to identifying the major water leak in October, the city had a water loss percentage of nearly 50%. The water loss percentage for November ended up being negative 12% due to the tier billing system. This, plus the rate increase should show an immediate improvement in the current \$20,000 deficit in the water fund, plus with the upcoming water tower replacement project. Smith has also been analyzing the vacant/unbilled properties to begin billing once Ordinance 005-2018 becomes effective. Smith has been working to add another employee through the Experience Works program to help with Maintenance and Planning & Zoning. The paperwork has yet to be completed due to multiple appointments being cancelled by the Experience Works representative. The Council discussed moving the start time of meetings to 6:00 in the winter. Motion by Hoiten, 2nd by Heumiller to approve starting council at 6:00 starting in January 2019. All approved. Smith reviewed the financial documents provided. Heumiller requested that we start working with DENR and SECOG regarding river bank erosion by the lagoons and walking path near the pool. Sieverding will contact DENR and Smith will follow up with SECOG.

VOUCHERS:

Vouchers were reviewed. Discussed the pool repair bill from AAA Construction. The work was done in the spring of 2018, yet the invoice was not sent until December. Council approved the payment. Discussed the bill received from D&D Contractors and Stan Houston. Smith was directed to void the payment to D&D contractors, and have D&D bill the resident directly. The payment of the Stan Houston bill was already mailed, so Smith will pursue reimbursement from D&D. Bills Paid Before Meeting: FEDERAL TAX PAYMENT \$1,480.96 11/16/2018 Payroll Tax; FEDERAL TAX PAYMENT \$1,516.28 11/30/2018 Payroll Tax; MCI \$48.04 Long Distance; PETERSONS TREE SERVICE \$600.00 Cut down 2 trees in alley; SOUTH DAKOTA ONE CALL \$7.84 locates; STAN HOUSTON EQUIPMENT CO \$120.00 Core Drill and Bit rental; THE SECURITY STATE BANK \$1,539.79 City Credit Cards; VAN DIEST SUPPLY COMPANY \$241.15 Mosquito supplies; ZAPP HARDWARE \$49.44 misc supplies; Total Paid Before Meeting: \$5603.50; Bills Paid At Meeting: A & B BUSINESS SERVICES \$83.69 Printer Contract; AAA CONSTRUCTION \$10,230.00 Pool Testing, Repair & Supplies; ADDY DISPOSAL \$2,890.00 Garbage Service; Anderson Publication \$172.49 Publishing; CITY OF MONTROSE \$22.77 City Water Bills; D&D CONTRACTORS \$640.00 Sewer Repair; EYE ON YOU DESIGNS \$1,030.96 Cruzin for Correne t-shirts; GESSNER WELDING INC \$61.70 plow repair; GOLDEN WEST \$264.26 Internet/Phone Service; JACKIE CLEVELAND \$59.58 Reimburse for Community Center Purchase; KINGBROOK RURAL WATER \$2,560.00 Water Purchase; MATHESON TRI-GAS \$47.90 acetylene+oxygen; MCCOOK COUNTY AUDITOR \$1,408.34 County Sheriff; MENARDS \$583.93 Baby Room cabinets; MIDAMERICAN ENERGY \$133.36 Natural Gas; NAPA AUTO & TRUCK PARTS \$262.36 Misc Parts; SALEM FARMERS MARKET \$66.21 Groceries; SECOG \$742.00 2019 Dues; SOUTH DAKOTA RETIREMENT SYSTEM \$2,008.18 Retirement Contribution; SOUTHEASTERN ELECTRIC CO-OP \$1,923.79 Electric Service; SD DEPT OF REVENUE \$237.17 November Garbage Sales Tax; FEDERAL TAX PAYMENT \$1,633.32 December 14 Tax Payment; VERIZON \$173.65 Plan Charges; PAID AT MEETING \$27,235.66; GRAND TOTAL \$32,839.16; November 2018 Payroll: Finance Office \$2,071.00; Maintenance \$4,215.08; Daycare \$12,657.80; Water \$213.99; Sewer \$770.33; Total \$19,928.20; Motion by Heumiller, 2nd by Hoiten to approve the vouchers. All approved.

OLD BUSINESS:

City Owned Surplus Property: No new bids have been received. Bids are still being accepted.

Pool Repair: Smith reported that DGR Engineering recommended we contact local contractors to develop a plan for the pool house design and cost estimate. This will be used to apply for grants to help fund the project. Prior to the upcoming swimming season, the broken pipes must be repaired, the new liner must be installed, and a plan for the pool house project must be developed.

Ordinance 005-2018 – This was to be the second reading of the ordinance; however, Section V was removed so this became the first reading of the amended ordinance. A second reading will be done in January. Ordinances are only required to be published after the 2nd reading, however a copy of the updated ordinance will be available on the city website, at the city office or you can review the original ordinance published after the November council meeting. Section V has been removed which had stated water and sewer charges could be stopped if the meter was removed. Going forward, all properties that have a connection to the water and sewer systems will be charged the minimum base rate for each service regardless of usage or occupancy. The rest of the ordinance remains the same. Motion by Heumiller, 2nd by Hoiten to approve the 1st reading of the amended Ordinance 005-2018. All approved.

Ordinance 006-2018 – Motion by Heumiller, 2nd by Painter to approve the second reading of the 2018 Supplemental Budget ordinance. All approved. Published separately.

Discussed nuisance properties. Some properties have been cleaned up after receiving an ordinance violation notice. Smith will begin working with the new city attorney to pursue more aggressive action against the properties that have failed make any progress following repeated warnings.

GIS System – DGR gave an estimate of \$10,000 to set up a system with a \$500 annual cost for maintenance. Sieverding will contact SDARWS (Rural Water) to get another quote.

DENR approved a Small Community Planning grant, funding 80% of the water and sewer system study.

NEW BUSINESS:

Due to Stiefvater earning the child care director certification, motion by Tysdal, 2nd by Hoiten to appoint Katie Stiefvater as the Daycare Director (she was previously empowered to be the director, not appointed). All approved. There is an opening on the Planning and Zoning Committee. If anyone is interested in being appointed, please contact the city office. Motion by Heumiller, 2nd by Tysdal to end the appointment of Jerome Lammers as the City Attorney. All approved. Motion by Heumiller, 2nd by Painter to appoint Dean Hammer as the City Attorney. All approved.

Motion by Heumiller, 2nd by Hoiten to approve increasing daycare wages from 8.85 to 9.10 for employees making minimum wage, effective 01/01/2019 in order to be in compliance with South Dakota minimum wage rates. Motion by Heumiller, 2nd by Tysdal to increase all other daycare employees' pay by 3% effective 01/01/2019. All approved. Note: At the July council meeting, the wages for the two daycare directors were approved for a 3% increase effective 01/01/2019.

Motion by Hoiten, 2nd by Painter to approve Resolution 299-18 to support the expansion of the Vermillion Basin Water Development District into McCook County. All approved. Published separately.

Motion by Heumiller, 2nd by Tysdal to approve Resolution 300-18 to update rates fines and fees with the following: Adding a fee for certified mail at the cost set by the USPS. Water deposit will increase from \$65 to \$130. Sewer deposit will increase from \$35 to \$70. A day pass to the swimming pool will increase from \$1 to \$3 per individual. People staying at the campground will no longer receive free admittance to the pool and must pay for a pass. A Family season pass will be \$75 for up to 6 immediate family members. An Individual season pass will be \$45. All approved. Published separately.

Motion by Heumiller, 2nd by Painter to approve the 2019 Humane Society Contract for animal control services. All approved.

Further discussion of the city owned property inventory will be tabled until January. Before the next meeting, Heumiller will go through city property with Sieverding to make a list of unused/unnecessary items to surplus and sell.

A couple discussions were held on items not on the agenda. Sieverding reported he is attending training in Pierre in January. He will not be able to attend the January council meeting. He was instructed to write a report and provide it to Heumiller in advance.

Additionally, the council instructed Sieverding to purchase a backup alarm for the skid steer loader.

HEARING OF THOSE PRESENT: Tim Brookes asked about whether the water rates listed in 297-18 are the newly increased rates.

Yes, those were the rates that became effective in November 2018. There are no current plans to increase the rates again, however with the upcoming water tower project and the \$20,000 deficit in the water fund, future rate increases may still be needed.

EXECUTIVE SESSION: None.

Motion by Heumiller, 2nd by Painter to adjourn at 9:04 pm. All approved.

Attest: _____

Sara Smith
Finance Officer

Published once at the approximate cost of _____

Paul Klaudt
Mayor