**LEOLA CITY COUNCIL MEETING**

**September 5, 2018**

 **The Leola City Council met in the Council Room of the Municipal Building in regular session on Wednesday September 5, 2018 due to the Labor Day Holiday on Monday, September 3rd, 2018. Mayor Jessica Lipke called the Meeting to order at 7:30 P.M. with the following Council Members present: Tim Collins, Dana Leibel, Richard Reis, Michael Yost and Jackie Rau, along with the Finance Officer Kappes. Absent: Lindsey Bollinger. Also, present: Jordan Hintz, of NECOG, Steve Seibel, McPherson Deputy Sheriff Allie Hilgemann, Kim Sharp, Brandon Pickell, John Bender and Jacki Hoffman,**

 **Council Member M. Yost moved, with a second by Council Member Collins, to approve the minutes of the August 6th and August 15th Council Meetings. All present Council Members voted in favor. Motion carried.**

 **Council Member Leibel moved, with a second by Council Member Reis, to accept the Monthly Treasurer’s Report. All present Council Members voted in favor. Motion carried.**

 **The Council discussed the WEB Water increase over and above the already planned $5.00 Water Project charge to be discussed under new business.**

 **Council Member Leibel moved, with a second by Council Member Reis, to transfer $15,000.00 from Sewer Fund to the Water Fund as budgeted. All Council Members voted in favor. Motion carried.**

 **Finance Officer Kappes informed the Council she received a notice of bankruptcy on the property owners of 726 Sherman Street with city debt on it of 6,077.84 in water, sewer, lot clean up, tree and stump removal. This debt was also sent on to the city’s attorney, being the same property South Dakota Housing authority sent notice to the city. Properties with accumulation of debt on them have been sent on to Attorney Vaughn Beck.**

 **The Council examined the following bills:**

**Maintenance Salaried Payroll September Streets & Park Fund Salary, Matches & Benefits 3,178.49**

**Finance Office Salaried Payroll September Finance Office Salary, Matches & Benefits 3,759.49**

**Maintenance/Water & Sewer Dept. Payroll September Water & Sewer Salary, Matches & Benefits 3,237.93**

**Council Payroll 3rd Quarter Meeting Pay 3,665.49**

**Council Payroll August Hours-C & M Citizen’s Food Boxes Pay 19.05**

**Gov’t Bldg. Payroll-Janitor August Janitor Hours-Govt Bldgs. 757.38**

**Lifeguard Payroll August-Lifeguard-Pool Hours - Cole Frank 4,667.39**

**Library Payroll August-Librarians Hours & Fill In Librarian 798.53**

**Office Department Payroll August Water & Sewer-May Hours 757.38**

**Zoning Payroll August-Building Permits, etc. 43.06**

**Aberdeen Asphalt, Inc. Hot Mix-Streets 22,696.83**

**Agtegra Cooperation Miscellaneous Parts & Labor on Repairs to Mower 55.54**

**American Solutions for Business, Inc. Office Supplies 202.99**

**Ameripride Linen & Uniform Services Paper Service, Mops, Deodorizers, etc. 179.14**

**Bollinger Construction, LLC Materials 27,571.53**

**Dakota Pump & Control Transducer & Freight-Water 169.58**

**Dependable Sanitation Inc. City & Remaining Seasonal Regular Garbage Collection 80.00**

**Flint Hills AE 1505 Delivered-off county’s bid-Streets 21,650.93**

**Gene’s Oil Company August Gas & Diesel 404.78**

**Grassland Hutterian Pump Sewage at Park 150.00**

**Hoffman, Spencer Reimbursement for Cost for Lifeguard Certification 180.00**

**Homestead Building Supply Supplies & Materials 215.70**

**Hydro Klean, LLC Mobilization & Cleaning 10622 ft. of Sanitary Sewer 8,716.50**

**J. Gross Equipment, Inc. Air Filters In & Out 53.16**

**Kappes, Candice Reimbursement for Funeral Plant & Postage 92.92**

**Leola Public Library Reimbursement for Books 129.78**

**McPherson County Herald Publishing-Water Project & Mayor & Council 543.11**

**McPherson County Highway Department Equipment & Labor on Streets, AE 150, Tack Oil & Hot Mix 28,100.99**

**Montana-Dakota Utilities Electricity 3,034.92**

**Newman Signs, Inc. Signs at Pool 262.94**

**Northeast Finance Officer’s Group Bi-Annual Meeting 10.00**

**Roy Pratt Housing, L.L.C. Water Deposit Refund 100.00**

**Rural Development 77th Loan Payment-Sewer Project 4,021.00**

**Sewer Duck, Inc. Jetting Sewer Line & Mileage 402.50**

**South Dakota Assoc. of Rural Water System Class B Membership Dues 370.00**

**South Dakota Municipal League Conference Registration-M. Yost, Lipke, Rau, Kappes & Weiszhaar 500.00**

**South Dakota Dept. of Revenue-Lab Coliform Water Testing 15.00**

**Ten – 45 Grocery Cleaning Supplies-Govt Bldgs. Water & Garbage Bags 48.46**

**USPS 100-Forever & 100-$.21 Stamps 71.00**

**Valley Telecommunications Phones, Faxing & Internet 434.59**

**Walz, Pam Reimbursement-Mileage - Food Baskets 33.60**

**Walz, Pam Book Reimbursement 130.50**

**WEB Water August Water Use 6,241.55**

**Westside Heating & AC LLC Propane at Shop 196.02**

 **After discussion, Council Member Collins moved to pay the above bills. Council Member M. Yost seconded the motion. Upon roll call voted all present Council Members voted in favor except Council Member Rau. Motion carried.**

**WATER PROJECT BILLS TO BE APPROVED & PAID – ONCE FUNDING IS RECEIVED**

**Helms & Associates 3% Contract Complete 4,995.00**

**Helms & Associates 5% Contract Complete 8,325.00**

 **Total Due 8% Engineering Contract Complete $13,320.00**

 **After discussion, Council Member Rau moved to pay Helms & Associates for the additional 3% of the Engineering of $4,995.00 contract complete once funding is received for a total owed to date of $13,320.00. Council Member Reis seconded the motion. All present Council Members voted in favor. Motion carried.**

 **The Finance Officer** **was instructed to contact Helm’s & Associates to make sure compaction testing are done on our streets.**

 **The Finance Officer informed the Council Julie Johnson had an update for them, but she never received it. Jacki Hoffman updated the Council that nothing has been spent of the Bush Innovation Grant for the Lake Enhancement Project, that the wayfinding signage has been order but not yet received. She also informed the Council Tallgrass Landscape Architecture are working on the lakes and masterplan for the park.**

 **Council Member L. Bollinger joined the Council Meeting.**

 **At 8:00 P.M. a Public Hearing on Budget Ordinance 2018-01 was held with** **Steve Seibel, Jordan Hintz, of NECOG, McPherson Deputy Sheriff Allie Hilgemann, Kimberly Sharp, Brandon Pickell, Jon Bender and Jacki Hoffman present. Council Member Rau introduced the following Year 2019 Budget Ordinance 2018-01, to be read the second time and moved for its adoption. Council Member M. Yost seconded the motion. Upon roll call vote, all Council Members voted in favor. Motion carried. The second reading was held as follows:**

**ORDINANCE 2018-01**

**CITY OF LEOLA**

**2019 APPROPRIATION BUDGET**

**PART I:**

 **Be it ordained by the City of Leola, McPherson County, South Dakota, that the following sums are appropriated to meet the obligations of the Municipality.**

**GOVERNMENTAL FUND FUND AMOUNTS TOTALS**

**TOTAL GENERAL FUND-100**

**101-41000 GENERAL GOVERNMENT**

 **41150 Contingency 35,118.00**

 **41200 Mayor & Council 36,500.00**

 **41300 Elections 1,000.00**

 **41410 City Attorney 2,000.00**

 **41420 Finance Office 56,900.00**

 **41450 Insurance 40,000.00**

 **41470 Unemployment 100.00**

 **41490 Government Buildings 47,200.00**

**101-41000 TOTAL GENERAL GOVERNMENT 218,818.00**

 **101-42000 PUBLIC SAFETY**

 **42100 County Law Enforcement 45,500.00**

 **42200 Fire-Siren 500.00**

 **42300 Protection & Inspection-Code Enforcement 4,100.00**

**101-42000 TOTAL PUBLIC SAFETY 50,100.00**

**101-43000 PUBLIC WORKS**

 **43100 Streets 120,700.00**

 **43200 Sanitation 6,425.00**

**101-43000 TOTAL PUBLIC WORKS 127,125.00**

**101-44000 PUBLIC HEALTH**

 **44130 West Nile Fund 2,800.00**

 **44620 Ambulance-EMT'S 100.00**

**101-44000 TOTAL PUBLIC HEALTH 2,900.00**

**101-45000 CULTURE & RECREATION**

 **45110 Golf Course 12,000.00**

 **45120 Pool 41,800.00**

 **45130 Rhubarb Committee 500.00**

 **45150 School Alumni Committee 100.00**

 **45160 Celebration & Fireworks Association 1,150.00**

 **45220 Ball Diamond-Fields & Athletic Assoc. 3,000.00**

 **45230 Parks 59,150.00**

 **45500 Library 17,600.00**

 **45700 Historical Preservation-Museum 100.00**

**101-45000 TOTAL CULTURE & RECREATION 135,400.00**

**101-46000 CONSERVATION & DEVELOPMENT**

 **46310 Lot Redevelopment 7,650.00**

 **46320 Leola Housing & Redevelopment 5,000.00**

 **46510 Leola Credit Board 950.00**

 **46520 Zoning & Planning Comm. 2,350.00**

 **46530 Development-Dev. Corp. & School 1,100.00**

 **46610 Economic Development 10,000.00**

**101-46000 TOTAL CONSERVATION & DEVELOPMENT 27,050.00**

**101-47000 TOTAL DEBT SERVICE 0.00**

**101-48000 TOTAL INTERGOVERNMENTAL EXPENDITURES 0.00**

**101-49000 MISCELLANEOUS -Judgments & Losses 0.00**

**101-51000 OTHER FINANCING USES 0.00**

**101-61000 FUND EQUITY USES 0.00**

**TOTAL GENERAL FUND APPROPRIATIONS 561,393.00**

**21700 REVOLVING LOAN-ENTERPRIZE LOAN FUND**

 **128 REVENUE 25,750.00**

 **172 EXPENDITURES 25,750.00**

**TOTAL SPECIAL REVENUE RETAINED 0.00**

**PART II.**

 **The following designates the fund or funds that money derived from the following sources is applied to.**

**GOVERNMENTAL FUNDS - 100**

**UNASSIGNED FUND BALANCE 200,693.00 TOTAL GENERAL**

**31000 TOTAL TAXES 324,100.00**

**32000 TOTAL LICENSES & PERMITS 3,500.00**

**33000 INTERGOVERNMENTAL REVENUE 26,300.00**

**34000 CHARGES FOR GOODS & SERVICES 3,500.00**

**35000 FINES AND FORFEITURES 0.00**

**36000 MISCELLANEOUS REVENUE 3,300.00**

**39000 OTHER SOURCES-BORROWED & TRANSFER IN 0.00**

 **TOTAL MEANS OF FINANCE-GENERAL FUND 561,393.00**

**PART III.**

**PROPRIETARY FUNDS - 600 WATER SEWER**

**BEGINNING UNRESTRICTED CASH 4,500.00 89,000.00**

**ESTIMATED OPERATING REVENUE 116,000.00 48,000.00**

**ESTIMATED SEWER PROJECT FEE COLLECTIONS 15,000.00 58,000.00**

**AMOUNT TO BE BORROWED & GRANT-Cap Water Project 2,640,910.00 0.00**

**TRANSFER IN -Salary 15,000.00 0.00**

**TOTAL AVAILABLE 2,791,410.00 195,000.00**

**LESS APPROPRIATIONS (Operating Expenses) 130,700.00 45,400.00**

**Less Amount Needed For -Water Project 2,640,910.00 0.00**

**TRANSFER OUT-Salary 0.00 15,000.00**

**SET ASIDE FOR LOAN PAYBACK 15,000.00 48,252.00**

**TOTAL EXPENSE 2,786,610.00 108,652.00**

**ESTMATED RETAINED EARNINGS 4,800.00 86,348.00**

**PART IV.**

 **The Finance Officer is hereby directed to certify the following dollar amounts of tax levies made in this Ordinance to the McPherson County Auditor.**

**PROPERTY TAXES, CPI-2.1% & 1.58% GROWTH 212,629.77**

**OPT OUT 30,000.00**

**TOTAL MONIES LEVIED FOR 242,629.77**

**ATTEST:**

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 **Candice Kappes, Finance Officer Jessica Lipke, Mayor**

 **Jordan Hintz, of NECOG, discussed the deadline for the DOT** **Transportation Alternatives Trail deadline is October 1, 2018. Letter of intent was first done with the application to be sent in. He explained the difference in the Game Fish & Parks Grant and the DOT Transportation Alternatives Trail Grant.**

 **Council Member M. Yost introduced the following resolution and moved for its adoption. Council Member Leibel seconded the same. All Council Members voted in favor. Resolution 18-07 was read as follows:**

# Resolution 18-07

 **Alternative use path and application for Financial**

 **Assistance through the Transportation Alternative Program**

WHEREAS, the City of Leola proposes to construct an alternative use path; and

WHEREAS, the City of Leola intends on applying for financial assistance up to the amount of $241,340.00 to complete the proposed project; and

WHEREAS, the project is eligible for the Transportation Alternative Program

funds under the Moving Ahead for Progress in the 21st Century (MAP-21) Act.

NOW THEREFORE, BE IT RESOLVED that the proposed project will meet all

local planning, zoning and ordinance requirements; and

THEREFORE, BE IT ALSO RESOLVED that the City of Leola supports the

project and the submittal of an Transportation Alternative Program application; and

THEREFORE, BE IT ALSO RESOLVED that, if funded, the City of Leola will

Provide a local match of at least 18.05% of total project costs; and

THEREFORE, BE IT ALSO RESOLVED that the City of Leola agrees to maintain the project, if funded, throughout its useful life and that the City understands that a project maintenance agreement will be required by the South Dakota Department of Transportation and the Federal Highway Administration; and

THEREFORE, BE IT ALSO RESOLVED that the City of Leola authorizes the Mayor to execute the Transportation Alternative Program application.

Signed this 5th day of September 2018

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 Jessica Lipke, Mayor

Attest:

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 Candice Kappes, Finance Officer

 **Jordan Hintz, NECOG, discussed the Game Fish & Parks Grant Application for the a pool liner and that they would need to decide if applying, at the October Meeting to get application in before the deadline.**

 **The Council discussed the Categorical Exclusion published on August 15thwith no comments and the facility plan for the drinking water improvements were approved by DENR and letter from SD Governor’s Office of Economic Development concerning the environmental review for the CDBG. The Environmental Review was signed by Mayor Lipke and documents were sealed by the Finance Officer and are available for public viewing. Copies were given to Jordan Hintz and he left the meeting at this time.**

 **The Council discussed the cement being buried at the restricted use and cement will no longer be accepted at the restricted use site. Oban still say they plan to come this fall and can still crush cement not buried.**

 **Steve Seibel, speaking on behalf of Gayle Seibel, Arts concerning 30 venders are expected for the Funky Finds set for Saturday, September 15th at the NCH Museum site and that Broadway would no longer need to be roped off. The funds made from the Funky Finds are going for arts for the kids at school. The School no longer offer art classes. The Council agreed to have city maintenance deliver three trash cans, four picnic tables, three benches at the museum corner and to pick them up on Monday. The need of two large coffee pots and four regular tables were discussed.**

 **Jacki Hoffman inquired about the city’s two pump houses were still needed or if they could be removed. It was decided the finance officer will discuss this with Helms & Associates, not knowing how the pump houses were hooked into the city’s artesian water system. She also inquired about the Development Corporations Leola banners and was thought the large brackets were removed from the poles for the small Christmas banners purchased but it will be checked into.**

 **The Council discussed Hydro Klean had cleaned approximately a third of the city, with blocks marked on the city map on blocks cleaned the last two years. The public received notification by Valley Notify Plus and the city received no complaints.**

 **The Council discussed a delinquent water account giving them until the October Meeting to come current.**

 **The Council discussed the Water/Wastewater laptop and it was decided he should use one of the other city computers to do reports needing to be done.**

 **The Council Member updated the Council on the County working on what could be done at the spill way by the lake, along with the cost of box culverts. Finance Officer Kappes informed the Council, FEMA implemented a new Hazard Mitigation Grant Program through the office of Emergency Management and available for County’s.**

 **The Council discussed the signs for the Swimming pool arrived the day following the August Council Meeting.**

 **Bandon Pickell and John Bender spoke on plans and estimated cost for their summer ball association to replace lights on the field and putting in a batting cage, with the city and the athletic association sharing in the cost. The nonfunctioning Park Committee and funds in their City Account were discussed. Fundraisers, along with possible matching funds were also discussed. Bandon Pickell and John Bender left the meeting.**

 **McPherson County Deputy Sheriff Allie Hilgemann came before the Council with the Monthly Law Enforcement Report and adjustment she made to her report. Deputy Allie Hilgemann left the meeting.**

 **With Kim Sharp, Jacki Hoffman and Steve Seibel in attendance, Jacki Hoffman discussed suggestions of the Citizen’s Building. She discussed thing needed in the basement to make the kitchen more functional, the cost to use the basement, that non-profits groups are not charged rent if not used for profit, items stored in the Al-Anon Room along with the anonymity of the group were discussed. Al-Anon belongings taken from the Al-Anon Room and put for sale along, with the fact garbage was filled by others using the building, items set in the Al-Anon room was done to make room in the big room for the Piggy Bank. Piggy Bank items over flowing to the hallway, steps and entry were also discussed. The window covering discussed before wanted for the storm shelter was discussed along with the fact the windows were approximately 20 feet from the ground and the liability of someone climbing to cover them.**

 **Items the Council Members had that could be used to help make the kitchen more functional were discussed. Council Member Bollinger moved, with a second by Council Member Reis, to allow up to $300.00 be reimbursed to put in the counter, sink and faucet.**

 **The Council discussed a surplus loader option by the city of Roscoe when they purchase a new loader in 2019.**

 **The Council examined the Monthly Library Report. Kim Sharp left the meeting.**

 **The Council discussed code enforcement issues and it was decided Mayor Lipke will discuss it with the City Attorney.**

 **August Issued Building Permits: Mryssa Murray 18-20 and David & Kimberly Sharp 18-21. The Council also discussed expired building permits needing to be reissued. Finance Officer Kappes informed the Council the Platt for MDU Addition to the City of Leola has been filed at the Register of Deeds Office.**

 **Finance Officer Kappes informed the Council the upcoming bi-annual Northeast Finance Officer’s Group Meeting in Aberdeen she would be attending is on Thursday, September 13th.**

 **The SDML Conference will be in Pierre on October 2nd-October 5th. Finance Officer Kappes, Assistant Finance Officer Weiszhaar, Mayor Lipke and Council Member Rau will attend.**

 **The Council discussed the letter received from WEB Water increasing our rates effective October 1st. Finance Officer explained the increase on base and gallons will vary each month but based on the August WEB bill, Council Member Leibel moved, with a second by Council Member L. Bollinger, to increase the water rate $4.00 on the base rate effect October bill for September’s use. All Council Members voted in favor. Motion carried.**

 **Council Member Leibel moved, with a second by Council Member L. Bollinger, to increase the water rate $5.00 for the surcharge for the Water Project repayment effect January 2019 bill for December’s use. All Council Members voted in favor. Motion carried.**

 **The Council discussed the SDML Conference in Pierre on October 2nd-October 5th. Finance Officer Kappes, Assistant Finance Officer Weiszhaar, Mayor Lipke, Council Member Rau and Council Member M. Yost will attend.**

 **Council Member Rau moved, with a second by Council Member Collins, to replace and put in an additional culvert on Broadway north of Elm Street.**

 **The Council discussed the upcoming Election Workshop in Pierre or possibly doing webinars depending on which are needed.**

 **The Council discussed the upcoming SD Rural Water classes.**

 **The Council discussed the surplus printers for sale at school and Council Member Leibel will talk to the**

**School on negotiating the cost of the printers.**

 **April Buller, Clark Engineering completed the gathering the signage project information with the new signs to be in by 2020.**

 **Council Member Leibel moved with a second by Council Member Rau to surplus the old intel office computer to be disposed of and no value to 21st Century recycling. All Council Members voted in favor. Motion carried.**

 **The Council discussed Dependable Sanitation’s large roll off would be here for the fall large item collection for city residents will be Saturday, September 15th at the Leola City Shop, which has been advertised and posted. The roll off will be coming around September 13th and leaving around September 27th.**

 **At 10:35 P.M., Council Member Reis moved to go into executive session to discuss personnel matters. Council Member M. Yost seconded the motion. All Council Members voted in favor. Motion carried. Finance Officer Kappes left during the closed executive session. Kappes rejoined the meeting and Council was deemed out of Executive Session at 11:05 P.M., with no action taken. The Council discussed the forms for request for leave and the personnel manual. Kappes informed the Council copies of the updated manuals were distributed to them and the full-time employees. She was instructed to generate a form to have employees sign off that they have read the personnel manual by the Council October Meeting.**

 **There being no further business, Council Member Reis moved, with a second by Council Member Rau, to adjourn. All Council Members voted in favor. Motion carried.**

 **The Leola City Council will meet in the Council Room of the Municipal Building in regular session at 7:30 P.M. on Monday, October 1st, 2018.**

**ATTEST:**

 **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Jessica Lipke, Mayor of Leola**

 **Candice Kappes, Finance Officer**

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