

Unapproved Minutes of the Montrose City Council Meeting

The Montrose City Council meeting was held on October 13, 2020 in the Community Center. The meeting was called to order by Mayor Paul Klaudt at 6:01 pm. The Pledge of Allegiance was recited. Present were Mayor Paul Klaudt; Council Members Tony Heumiller (arrived at 6:13), Susan Painter, Justin Hagemann, and Jasen Hanisch; Maintenance Supervisor Daryl Sieverding; Finance Officer Sara Smith (via phone); and Trent Bruce from DGR Engineering; Mayor Klaudt reminded all in attendance to adhere to the Rules of Decorum. Motion by Hanisch, 2nd by Painter to approve the agenda. All approved. Motion by Hagemann, 2nd by Hanisch to approve the minutes from 09/08/2020. All approved.

SPECIAL TOPICS:

The meeting packets will now be accessed by the council on new tablets in order to cut down on printing costs, time it takes to print and assemble the packets, and it will make it easier for remote meetings should the council deem it necessary in the future. The cost of the tablets will be reimbursed by the CARES Act funds set aside for the City of Montrose.

One bid was received for sanitation services to begin January 1. Mayor Klaudt opened the bid from Addy Disposal, with the same cost and services as our current contract. Motion by Hagemann, 2nd by Hanisch to accept the bid from Addy Disposal. All approved. Trent Bruce from DGR Engineering gave an update on the Water Tower Project. The new tower is in operation. The old tower was disconnected from the system on 10/12. Demolition of the old tower and miscellaneous finishing work is expected to be completed within the next two or three weeks. There were extra project costs incurred due to excavation issues. Council discussed removing some items from the project scope to save money. Motion by Heumiller, 2nd by Hanisch to remove fencing and gates, seeding, and rock from the project scope. All approved. Discussed birdproofing on the new tower. The system installed on the new tower is not working. Motion by Hanisch, 2nd by Heumiller to approve the pay request from Great Plains Structures. All approved. Jim Struck addressed the council regarding the dirt and concrete from the tower excavation. He had previously asked if he could have it but now it is gone. Trent Bruce informed everyone that the excavation debris technically belonged to the contractor and it was written in the contract that they must dispose of it. It wasn't the City's to give away or sell. Great Plains Structures contracted with Twedts to remove the pile so Jim was asked to contact them to see if he could obtain any of the concrete/dirt from wherever Twedts disposed of it, or to arrange with Twedts to obtain the debris from the old tower foundation demolition.

Motion by Hagemann, 2nd by Hanisch to amend the agenda and move up the request from Scott Goergen to speak to the council about his ideas for bringing a meat locker business to Main Street. Discussed water and sewer needs. Lockers are common in cities, so it is not out of the ordinary as far as city services are concerned, though they will likely use a lot of water. Council is on board with the idea.

Trent Bruce gave an update on the Sewer Infrastructure Project. Survey work has started and quotes were received from multiple sewer televising companies. Motion by Heumiller, 2nd by Hagemann to approve the quote from HydroKlean for \$37,164 to televise all city sewer lines. All approved. Discussed the project funding. Updated sewer surcharge resolutions have not been received from our bond counsel following the updated loan terms from DENR. Because the city received a federal grant, the DENR loan amount needed to be reduced which lowers the surcharge from \$14.70 to \$6.85. Resolutions 2020-021 and 2020-002 were tabled until the official changes are received from bond counsel. Motion by Hanisch, 2nd by Hagemann to approve Resolution 2020-020 with updated rates for Water (increase from \$5 per 1000 gallons to \$5.40 per gallon due to an increase from Kingbrook Rural Water), Bulk Water (from \$8 per 1000 gallons to \$10 per 1000 gallons) and adding the new Sewer Surcharge of \$6.85. These rate increases are effective January 1, 2021. All approved. Published separately.

DEPARTMENT REPORTS:

Sieverding reported the pool has been winterized by MCR and Renosys is on site now to fix wrinkles in the liner. The campground and ball field bathrooms will be winterized on November 1. Hagemann informed the council about an opportunity for a tree grant where we could get trees for free if we provide the labor. Discussed the pool house roof. A quote in the amount of \$1875 was received from Four Quality Construction for labor to remove the pool house roof, fix the underlying roof structure, install metal roof and fascia, with the city to provide all materials. Motion by Heumiller, 2nd by Hanisch to have Four Quality Construction perform this work. All approved. Stephanie Holland, daycare co-director, called into the meeting and reported 17 kids are enrolled. There are 3 spots open for ages 3 and up. There is a waitlist for infants. Due to the increase in COVID cases in the county, the daycare is reinstating contactless-pickup and drop off. Only staff and children are allowed in the daycare. Parents can walk children to the door but cannot come in the building.

Smith reviewed financial reports. The 2020 Budget vs Actual was reviewed and discussed budget supplement to pass by year end. A Flu Shot Clinic has been scheduled in the Community Center on 10/22 from 3 to 7 pm for ages 4 and up. Smith received a request to have Clark Street closed on November 7 from 8 am to 4 pm for an auction. Sieverding talked with the County and they are ok with it and a detour will be posted to reroute non-local traffic to highway 38.

VOUCHERS:

Vouchers were reviewed. Bills Paid Before Meeting: VERIZON \$155.75 Cell Phone Service; FEDERAL TAX PAYMENT \$1,623.98 09/18/2020 Payroll Tax; FEDERAL TAX PAYMENT \$1,469.28 10/02/2020 Payroll Tax; FEDERAL TAX PAYMENT \$206.60 Council Payroll Tax Q3 2020; A & B BUSINESS SERVICES \$64.46 Switch to New Printer; SOUTH DAKOTA RETIREMENT SYSTEM \$1,505.48 September Retirement; THE SECURITY STATE BANK \$1,862.81 City Credit Cards; US BANK TRUST NA \$11,703.04 Water & Sewer Loan Payments; TOTAL PAID BEFORE MEETING \$18,591.40; Bills Paid At Meeting: SD DEPT OF LABOR & REG \$58.29 2020Q3 Unemployment; SD DEPT OF REVENUE \$211.36 September Sanitation Sales Tax; A & B BUSINESS SERVICES \$1,782.63 Printer Contract & antiransomware subscription; ADDY DISPOSAL \$2,861.00 Sanitation Service; BADGER METER \$54.00 Cellular Backhaul Serv Unit; CITY OF MONTROSE \$112.71 City Water Bill; DELL RAPIDS LAW FIRM \$226.95 Attorney Services; DGR ENGINEERING \$3,359.85 Water Tower Construction Observation; DREAMDAK HOLDINGS LLC \$103.79 Return of Deposit after final billing; GILLESPIE OUTDOOR POWER EQUIP \$59.15 Saw Chain Rapid Super LV; GOLDEN WEST \$268.59 Phone/Internet Service; KINGBROOK RURAL WATER \$4,499.10 Water Purchase-1,242,000 gallons; MCCOOK COUNTY AUDITOR \$1,408.34 County Sheriff; MCI \$50.46 Long Distance Phone Service; MIDAMERICAN

ENERGY \$38.64 Natural Gas Service; MONTROSE GAS PLUS \$152.69 Misc fuel purchases; MONTROSE POST OFFICE \$64.00 PO Box 1-year Fee; NEW CENTURY PRESS \$596.71 Publishing; PHEASANTLAND INDUSTRIES \$326.53 Golf Cart Stickers and Road Signs; SOUTHEASTERN ELECTRIC CO-OP \$2,338.48 Electrical Service; TRANSOURCE \$415.92 Payloader fenders; ZAPP HARDWARE \$60.96 misc campground parts; GREAT PLAINS STRUCTURES \$56,916.18 Water Tower Project PayApp#3; NAPA AUTO & TRUCK PARTS \$396.93 Misc Shop Supplies; DAKOTA SUPPLY GROUP \$284.90 Urinal/flush kit; SCHOLASTIC \$125.95 Preschool subscription; FEDERAL TAX PAYMENT \$1,462.99 10/16/2020 Payroll Tax; TOTAL PAID AT MEETING \$78,237.10; GRAND TOTAL \$96,828.50; SEPTEMBER 2020 PAYROLL: Finance Office \$970.20; Maintenance \$1658.44; Daycare \$8,550.40; Water \$1,529.96; Sewer \$1,529.96; Total \$14238.96; Motion by Heumiller, 2nd by Hagemann to approve the vouchers. All approved. NOTE: 20 checks were misprinted, voided and filed, therefore there will be a gap in check numbers from 28677 through 28696.

OLD BUSINESS: Discussed COVID-19 CARES Act funds. Hanisch will look into a better online payment/reservation system for the campground to minimize contact between the campground host and campground guests.

Three appraisals were submitted from the residents appointed to the Office Bar appraisal committee. The appraisals were for \$115,000, \$95,000 and \$109,000 for an average of \$106,333.33. Per state laws, the city may not sell it for less than 90% of its value, which comes to \$95,700. Council will discuss next steps at the November meeting.

Reviewed demolition permits taken out due to the September 2019 flood. Smith sent letters to property owners asking their plans for the houses and shared the replies that were received with council. Because some owners plan to repair the houses instead of demolishing, Smith asked Council for an updated policy on water and sewer billing for these houses. Council will think about it more and address at the next meeting. The policy to turn off utility billing if a demo permit is obtained and sewer is capped is no longer in effect for future requests. It was meant only for homes impacted by the flood. So any structure connected to the water and sewer system within the city limits shall be charged the minimum water and sewer with no exceptions.

Discussed nuisance properties. Council tabled until next meeting declaring any new structures nuisance. Motion by Hagemann, 2nd by Heumiller to appoint Kristi Laber of Cadwell, Sanford Law Firm as trial counsel if necessary to enforce our nuisance ordinance for the house located at 109 W Montrose St. Due to a conflict of interest, the city attorney Dean Hammer is not able to take the case to trial if it is needed. The property owners of 109 W Montrose have been given until 10/31 to have the house demolished and cleaned up. If not completed by that date, the trial counsel will be asked to proceed with next steps. Sieverding will be setting live traps in the area to cut down on the problem of animals that are living in the residence and causing problems on neighboring properties.

NEW BUSINESS:

Reviewed accounts eligible to be sent to collections. Motion by Heumiller, 2nd by Hagemann to authorize Smith to submit those accounts to collections if not paid by November 1. All approved. Discussed the playground and ball field deadlines from FEMA. Motion by Heumiller, 2nd by Painter to appoint Justin Hagemann to lead a committee with four community members to facilitate project progress between council meetings. All approved. Extensions will need to be granted for the projects. Hagemann will work with Smith to set expected timeline to request the extensions. A request to block Main Street and for a special event liquor license was received from the Office Bar for October 31 for an event to be held in the street. Motion by Hanisch, 2nd by Heumiller to approve the plan to block the street and for the special event liquor license. All approved. Discussed a tentative idea that was brought up about whether the Community Center could be used for darts and alcohol served. Council thought the community center was not an appropriate venue for it. Smith asked Council to consider finding a campground reservation/payment system that would make the reservation and bank reconciliation process easier. Hanisch will look into and report back.

HEARING OF THOSE PRESENT: Dave Lounsbery, campground host, asked the council to consider adding permanent camping spots. Council will think about it and consider for the spring.

Motion by Heumiller, 2nd by Hanisch to adjourn at 8:14 pm. All approved.

Attest: _____

Sara Smith
Finance Officer

Published once at the approximate cost of _____

Paul Klautd
Mayor