

Unapproved Minutes of the Montrose City Council Meeting

The Montrose City Council meeting was held on November 10, 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 (via WebEx), Susan Painter, Justin Hagemann, and Jasen Hanisch (via WebEx); Maintenance Supervisor Daryl Sieverding; Finance Officer Sara Smith (via WebEx); Leslie Mastroianni from SECOG (via WebEx); Trent Bruce from DGR Engineering (via WebEx); Bill Barr from Great Plains Structures (via WebEx); Madison Holman, reporter for the Montrose Herald (via WebEx) and one member of the community; Mayor Klaudt reminded all in attendance to adhere to the Rules of Decorum. Motion by Hagemann, 2nd by Painter to approve the agenda. All approved. Motion by Hagemann, 2nd by Painter to approve the minutes from 10/13/2020. All approved.

SPECIAL TOPICS:

Trent Bruce from DGR Engineering gave the Council an update on the Water Tower Project. A punch list was given to the contractor of miscellaneous items that need to be fixed before the project is fully complete. Those items should be completed by November 15. Bill Barr from Great Plains Structures, the contractor for the project, called in to explain a request for reimbursement that was higher than the initial quote. When site excavation began, a lot of debris was found and a lot more dirt needed to be removed than anticipated. The City Council met and removed some items from the scope to minimize the additional cost. However, the final cost the contractor is requesting was approximately \$6,000 over the anticipated cost. After discussion, Mayor Klaudt offered to split the additional cost in half with the contractor. Barr agreed. Motion by Hagemann, 2nd by Painter to pay half the additional cost of the site excavation work. Roll Call Vote: Heumiller – yes; Painter – yes; Hagemann – yes; Hanisch – yes; Motion carried. Bruce will update the change order and the final pay request for the project will be reviewed and approved at the December meeting. Leslie Mastroianni from SECOG gave a finance update on the project as required as a condition of our CDBG Grant. The City received a grant of \$185,129 from CDBG. So far we've expended \$134,263.57, leaving \$51,065.43 remaining. When combined with the SRF loan balance not expended, we currently have \$94,623.30 left to cover remaining expenses. Originally, the city planned to pay \$30,000 for the additional water tower height, but it may not be necessary depending on final bills to be paid. The meeting was opened for public comment. No comments were made. The public hearing was closed. The pay app request from Great Plains Structures was not ready by meeting time, therefore will be reviewed for approval at the December meeting.

Bruce gave the Council an update on the Sewer Infrastructure Project. A majority of the survey work has been completed.

Hydroklean has completed their work but we have not yet received the documentation of their findings. In the next couple of weeks a meeting will be scheduled to review the scope of work for the project. Motion by Hagemann, 2nd by Hanisch to approve Resolution 2020-021 to authorize utilizing a loan from DENR to fund part of the sewer infrastructure project. Roll Call Vote: Heumiller – yes; Painter – yes; Hagemann – yes; Hanisch – yes; Motion carried. Published Separately. Motion by Heumiller, 2nd by Hanisch to approve Resolution 2020-022 setting the sewer surcharge as means of repaying the loan at \$6.85. Roll Call Vote: Heumiller – yes; Painter – yes; Hagemann – yes; Hanisch – yes; Motion carried. Published Separately.

DEPARTMENT REPORTS:

Sieverding reported everything has been winterized and he has been plowing the streets from today's snowfall.

No report was received from the daycare. Smith reviewed the financial report for the daycare.

Smith reviewed financial reports and asked the council to consider moving some money out of the checking account into a higher interest earning account when interest rates rebound. Interest rates are too low at the current time, but should be monitored.

VOUCHERS:

Vouchers were reviewed. Bills Paid Before Meeting: VERIZON \$126.79 Cell Phone Service; FEDERAL TAX PAYMENT \$1,510.96 10/30/2020 Payroll Tax; SD DEPT OF REVENUE \$223.19 October Sanitation Sales Tax; CITY OF SIOUX FALLS \$43.50 Q32020 Bacteria Water Tests; MCI \$50.37 Long Distance Service; SOUTH DAKOTA ONE CALL \$29.12 locates; THE SECURITY STATE BANK \$1,588.73 City Credit Cards; VAN DIEST SUPPLY COMPANY \$903.00 Mosquito Supplies; SOUTH DAKOTA RETIREMENT SYSTEM \$2,149.96 October Retirement; TOTAL PAID BEFORE MEETING \$6,625.62; Bills Paid At Meeting: A & B BUSINESS SERVICES \$108.63 Printer Contract&Anti-ransomware; ADDY DISPOSAL \$2,951.00 Sanitation Service; Banyon Data Systems \$1,590.00 Payroll and Fund Accounting Annual Support; BEAVERBUILT METAL FABRICATION \$570.00 Rubber Skirting; CENTRAL FARMERS COOP \$211.18 10 Posts - 5x8 pointed; CITY OF MONTROSE \$66.89 City Water Bill; DGR ENGINEERING \$17,266.50 Engineering -Water Tower & Sewer Projects; GOLDEN WEST \$268.59 Phone/internet Service; KINGBROOK RURAL WATER \$4,247.05 Water Purchase-1,171,000 gallons; MC&R POOLS, INC \$3,933.08 Winterize Pool; MCCOOK COUNTY AUDITOR \$1,408.34 County Sheriff; MCCOOK CTY HIGHWAY DEPT \$428.25 Repair around sewer manholes; MIDAMERICAN ENERGY \$46.62 Natural Gas Service; MONTROSE GAS PLUS \$374.86 Fuel & Misc Supplies; MONTROSE POST OFFICE \$920.00 Stamps; NEW CENTURY PRESS \$243.29 Publishing; RENOSYS CORPORATION \$3,638.75 Pool Liner Repair; SALEM FARMERS MARKET \$264.72 Groceries; SD GOV FINANCE OFFICERS ASSOC \$40.00 2021 Dues; SD GOV HUMAN RESOURCE ASSN \$25.00 2021 Dues; SD PUBLIC HEALTH LAB \$241.00 Water Analysis; SDML \$4,443.04 Workers Comp & Annual Membership Dues; SOUTHEASTERN ELECTRIC CO-OP \$2,317.89 Electric Service TRANSOURCE \$211.48 Hydraulic Fluid; ZAPP HARDWARE \$49.95 Misc Shop supplies; DUSTTEX \$108.00 daycare paper towels & sanitizing wipes; TOTAL PAID AT MEETING \$45,974.11; GRAND TOTAL \$ \$52,599.73; OCTOBER 2020 PAYROLL (three paycheck month): Finance Office \$1,111.20; Maintenance \$2,534.05; Daycare \$12,542.14; Water \$2,238.68; Sewer \$2,238.68; Council \$1,375.00; Total \$22,039.75; Motion by Heumiller, 2nd by Hagemann to approve the vouchers. Roll Call Vote: Heumiller – yes; Painter – yes; Hagemann – yes; Hanisch – yes; Motion carried.

OLD BUSINESS: Discussed COVID-19 CARES Act funds. Eligible expenses must be incurred by December 31 to qualify for reimbursement. Due to the exponential increase in COVID cases in McCook County, Smith informed the council that the city office has been closed to all walk-in traffic and will continue to be closed until further notice. Voicemails and emails will be answered and appointments can be scheduled if an issue cannot be handled via phone, email or the dropbox. Smith asked the Council if they had any concerns with this plan. There were no concerns stated at this time. Discussed whether to sell the Office Bar building or to

continue to own and lease it out. Motion by Hagemann to hold off on selling until the current lease is up. Motion died for lack of 2nd. Motion by Hanisch to sell the building within the next few months. Motion died for lack of 2nd. Therefore the city will continue to own and lease out the building. Following the flood of September 2019, several demolition permits were taken out for flood-damaged homes. A temporary policy was put in place by the council to allow those properties to no longer be billed the minimums for water and sewer service if a demo permit was taken out and the sewer line was capped. However not all houses have been demolished. Smith asked the Council to provide a policy on when to start billing those properties again. Motion by Hanisch, 2nd by Heumiller to start charging those properties once their demolition permit expires, which is 12 months after the permit was obtained. Roll Call Vote: Heumiller – yes; Painter – yes; Hagemann – yes; Hanisch – yes; Motion carried. Fees to hook back up to the system, a new meter and the turn on fees will apply to every property that wants service restored. Discussed nuisance properties. The house on Montrose Street that was sitting vacant with no windows and doors was demolished prior to the deadline. At this time the Council declined to declare any other properties nuisance. Discussed the playground project. Hagemann met with the playground committee which recommends choosing a playset called “Huntsville” from DakotaScapes, with an approximate cost, including labor, of \$35,600. Additionally they chose a swing set, for which the cost will be covered by funds raised by the Office Bar. Discussed the ground covering and decided it should be the cheapest option as it will likely be impacted by future flooding. Discussed playground location and decided to leave it in current location but request approval from the state to build up the location so it will be less likely to flood during minor flooding events. The suggested plan will cost approximately \$10,000 to \$15,000 more than the funding received from FEMA. Council will discuss how to fund the additional cost at the December meeting. Discussed the ballfield project. Smith will request an extension through October 31, 2021. Reviewed how the FEMA funds must be spent for the project, and if any changes are made, pre-approval must be obtained from the state. Motion by Heumiller, 2nd by Hanisch to change the baseball field from a grass infield to agrilime. Roll Call Vote: Heumiller – yes; Painter – yes; Hagemann – yes; Hanisch – yes; Motion carried.

NEW BUSINESS:

Motion by Heumiller, 2nd by Hanisch to approve the 2021 on sale and off sale liquor license renewal applications for the Office Bar. Roll Call Vote: Heumiller – yes; Painter – yes; Hagemann – yes; Hanisch – yes; Motion carried. Motion by Heumiller, 2nd by Hanisch to approve the 2021 on sale liquor license renewal application for the American Legion. Roll Call Vote: Heumiller – yes; Painter – yes; Hagemann – yes; Hanisch – yes; Motion carried. Motion by Heumiller, 2nd by Hagemann to approve the 1st reading of Ordinance 009-2020 2020 Budget Supplement. Roll Call Vote: Heumiller – yes; Painter – yes; Hagemann – yes; Hanisch – yes; Motion carried. Hanisch is still looking into campground payment systems but so far every option is prohibitively expensive. Sieverding was asked to get quotes for adding permanent campground spots west of the pool. Discussed purchasing radios and headsets for the Fire Department and using CARES Act funding to cover the cost. The approximate cost for the radios is \$32,000. A quote is needed for the headsets. Hagemann and Smith will work with Fire Chief Brian Smith to get updated quotes and a written statement of how the radios and headsets are necessary due to COVID. The information will be submitted to the state for pre-approval. If pre-approved, Smith will order the radios and submit for reimbursement. If for some reason some or all of the cost is not reimbursed, the city will require the Fire Department to reimburse the city for the cost. Motion by Heumiller, 2nd by Hanisch to authorize Smith to proceed with getting pre-approval, purchasing the radios and submitting for reimbursement. Roll Call Vote: Heumiller – yes; Painter – yes; Hagemann – yes; Hanisch – yes; Motion carried. Smith presented a sample ordinance on campers/rvs as dwellings. It was a topic of discussion amongst the SDML Finance Officer group and our ordinances do not address this issue. Council will review the sample ordinance and discuss further at the December meeting. Smith asked the council to consider paying out vacation time to an employee who has accrued more than the maximum number of hours allowed to roll over into the new year, but due to low staffing levels at the daycare, cannot use those hours by end of year without negatively impacting daycare operations. Motion by Hanisch, 2nd by Hagemann to give a one time exception and allow the excess vacation time to be paid out at her regular (non-OT) pay rate. Roll Call Vote: Heumiller – yes; Painter – yes; Hagemann – yes; Hanisch – yes; Motion carried.

HEARING OF THOSE PRESENT

Rich Bellin wanted members of the city council to refrain from using expletives during meetings and pointed out that the Rules of Decorum specify profanity is not allowed. Discussion was held regarding Bellin’s concern and his concern is noted. Motion by Hagemann, 2nd by Painter to adjourn at 8:00 pm. Roll Call Vote: Heumiller – yes; Painter – yes; Hagemann – yes; Hanisch – yes; Motion carried. Meeting adjourned.

Attest: _____

Sara Smith
Finance Officer

Published once at the approximate cost of _____

Paul Klaudt
Mayor