

TIMBER LAKE CITY BOARD  
REGULAR MEETING  
FEBRUARY 7, 2022  
6:00 PM  
CITY FINANCE OFFICE

- 1) Board President Tom Hermes called the meeting to order at 6:02 PM.
  - Board Present: Tom Hermes, Jess Schlosser, Michael LaCompte (by telephone), Sandra Koenig, and Lilian Linnea-Turcotte
  - Council Absent: None
  - Employees Present: Karla Nordyke and Jerimiah Garon
  - Guests/Others Present: Kathy Nelson, Joe Scherer, Trent Baumeister, Paul Mehlhaff, Kristen Gill, Rusty Gebhardt, and Ann LaCompte (by telephone)

- 2) Declaration of Conflict of Interest  
Tom Hermes self-disclosed a potential conflict of interest in regards to the wastewater infrastructure improvement project; specifically, the infrastructure improvements planned on the southwest part of town where he owns property. He will excuse himself from discussion. No additional conflict of interest was identified by the Board.

- 3) Approval of Agenda:  
Schlosser motioned to approve the agenda with no changes. Linnea-Turcotte seconded. Motion carried.

- 4) Public Hearing: Wastewater Infrastructure Improvement Project  
Pursuant to the Public Notice published January 20, 2022 and January 27, 2022, in the *Timber Lake Topic*, Board President Hermes opened the public hearing at 6:05 PM, the 7<sup>th</sup> day of February, 2022, in the City Finance Office, Timber Lake, South Dakota. The public hearing was held to provide residents the opportunity to a) comment on the Wastewater Collection and Treatment System engineer study and facility plan; b) comment on the City's intent to make application to the SD Department of Agriculture and Natural Resource's (SD-DANR) State Revolving Loan funds and grants; c) comment on the City's intent to make application to the Community Development Block Grant funds; and d) to make possible the comprehensive inspection of sewer mains; replacement of sewer main where needed; and extension of sewer mains and a lift-station to serve properties currently without sewer infrastructure.

Thirteen (13) persons were in attendance (sign-in sheet verification). Representation of the community is as follows:

- Timber Lake Board of Trustees (5)
- Timber Lake Finance (1)
- Timber Lake Maintenance (1)
- Central SD Enhancement District (1)
- IMEG Engineering, Inc. (1)
- Timber Lake and Area Development Corporation (3)
- Timber Lake Residents (1)

Comments were heard, as follows:

- It was reiterated that the City expects to apply for \$770,000 grant funding available from the SD Community Development Block Grant and approximately \$2,743,400 available from the SD-DANR State Revolving Fund (SRF) loan and grant program. The system infrastructure improvement proposed project will cost approximately \$3,513,400. Discussion was held about the funding package will likely be a combination of grant and loan. Expected SRF loan terms for 30-years are 2.125% APR, and the Board of Water and Natural Resources may forgive all or a portion of the loan principal. Mehlhaff explained the community development and housing needs assessment performed on September 9, 2021 serves the City's need for this CDBG grant application.
- Project Plan: The project plan was presented by the engineer, Trent Baumeister of IMEG Engineering, Inc. Much discussion occurred, especially as related to 1) completing a comprehensive cleaning and camera inspection of the current sewer main condition; 2) determine the need for sewer main relining and/or replacement using the inspection report; and 3) the need for sewer infrastructure in currently undeveloped properties within City limits.
- Project Impacts: Discussed the advantages and disadvantages of lining and replacement. Discussed the method used to identify main line replacement. Discussed potential impact on street infrastructure; engineer explained how street repair and manhole covers are figured into the project plan cost estimates. Favorable comments were heard about the project plan being three-phased: phase 1 is to clean and inspect the main lines; phase 2 is to reline and replace main lines as needed; phase 3 is to extend sewer services to undeveloped properties. Favorable comments were heard about the possibility of developing properties within City limits.
- City's need for CDBG and SD-DANR funding: City needs funding to support its plan to improve upon the sewer and wastewater system infrastructure. CDBG and SD-DANR funding greatly supports the City's need.

Public hearing ended at 6:40 PM. A 30-day comment period commences February 8, 2022 at 12:01 AM for those in the community wishing to express written comments. It was reiterated written public comment can be sent to the City Finance Office or to the Central SD Enhancement District.

- 5) Public Forum and Visitors: None
  
- 6) Approval of Last Meeting Minutes:  
 Schlosser motioned to approve the minutes of January 10, 2022 with no corrections.  
 Linnea-Turcotte seconded. Motion carried.
  
- 7) Financial Report:
  - A) Reconciliation Report (January)  
 Board reviewed and discussed the reconciliation summary, detail, and bank statement for the City’s checking account for the month of January.
  - B) Cash Flow Report  
 Board reviewed and discussed the monthly financial report. Schlosser motioned to approve the January Cash Flow Report. Koenig seconded. Motion carried.

	GENERAL FUND	ENTERPRISE FUNDS		
		WATER FUND	SEWER FUND	TOTAL
<b>Beginning Balance (Checking Account) (As of 01/01/2022)</b>	474,551.55	222,132.71	70,849.22	767,533.48
<b>Total Receipts (Income)</b>	40,956.34	7,645.44	6,145.04	54,746.82
<b>Total Expenditures</b>	31,945.19	3,246.42	2,742.55	37,934.16
<b>Ending Balance (Checking Account) (As of 01/31/2022)</b>	483,562.70	226,531.73	74,251.71	784,346.14
<b>Savings Account Balance (As of 01/31/2022)</b>	57,128.41			57,128.41
<b>Cash Value of Certificate of Deposits (As of 01/31/2022)</b>	28,000.00			28,000.00

Petty Cash (As of 01/31/2022)	150.00			150.00
<b>TOTAL FUND BALANCES (As of 01/31/2022)</b>	568,841.11	226,531.73	74,251.71	869,624.55

**Daily Ledger Balance (Bank) -- Checking Account  
(As of 01/31/2022)** 784,966.33

8) Accounts/Claims Payable:

Schlusser motioned to approve the claims presented for payment totaling \$27,837.27 and \$16,511.88 payroll expenses. Koenig seconded. Motion carried. See Attachment 1.

9) NEW BUSINESS

A) Wastewater Collection and Treatment System Planning Study Approval

After providing residents the opportunity to voice support or concern about the proposed project and after hearing all comments made at the public hearing, the Board again discussed the engineer's study and recommendations for the City's wastewater collection and treatment infrastructure and improvement project. It was agreed the study is conclusive to known matters at this time. Koenig motioned to approve and accept the Timber Lake Wastewater Collection and Treatment System Planning Study. Schlusser seconded. Motion carried.

B) SD-DANR State Revolving Fund Grant/Loan Application (Wastewater Project)

i) Resolution #2022-02-01 -- Authorization of SD-DANR Application: The Board reviewed and discussed this resolution which details the City's identification of need to improve the wastewater collection infrastructure to meet the needs of the community, extend sewer services to undeveloped properties in the City, and the City's eligibility for funding assistance for the proposed project. This Resolution authorizes the Board President to execute the SD-DANR application to apply for up to \$3,513,400 in State Revolving Loan funds and grants. Koenig motioned to approve Resolution #2022-02-01. Schlusser seconded. Motion carried.

C) CDBG Grant Application (Wastewater Project)

i) Resolution #2022-02-02 -- Designate and Certify Official: CDBG requires the local unit of government to appoint an official to sign documents pertaining to the grant. This resolution designates the City Board President as the authorized signer.

Schlosser motioned to approve Resolution #2022-02-02. Linnea-Turcotte seconded. Motion carried.

- ii) Resolution #2022-02-03 -- Authorization of CDBG Application: The Board reviewed and discussed this resolution which details the City's identification of need to improve the wastewater collection infrastructure to meet the needs of the community, extend sewer services to undeveloped properties in the City, and the City's eligibility for funding assistance for the proposed project. This Resolution authorizes the Board President to execute the CDBG application and to apply for up to \$770,000 grant funds. Schlosser motioned to approve Resolution #2022-02-03. Linnea-Turcotte seconded. Motion carried.
- iii) Applicant/Recipient Disclosure/Update Report: CDBG requires the local unit of government to disclose the government assistance provided or requested or expected sources and use of funds on Form HUD-2880. The Form discloses a requested \$2,743,400 for the SD-DANR in grant and/or loan funds for the wastewater collection and treatment improvement project. The Form also discloses the expected use of funds, to date, being \$696,200 to Clark (IMEG) Engineering and \$35,000 to the Central SD Enhancement District. An updated HUD-2880 will be needed when bid awards are declared. Schlosser motioned to approve the Disclosure Report. Linnea-Turcotte seconded. Motion carried.
- iv) Relocation, Displacement, and Acquisition Plan: CDBG requires the local unit of government to certify that it is following a relocation, displacement, and acquisition plan. The plan must contain two components: a requirement that it will replace all low-and moderate-income dwelling units that are demolished or converted to use other than low- and moderate-income housing as a direct result of the use of CDBG funds; and a relocation assistance component. It is noted the project to correct deficiencies in the current wastewater infrastructure will occur in locations throughout Timber Lake where no homes are directed constructed. Any new infrastructure required will be in areas where no homes are currently placed; therefore, no homes will be destroyed or no persons will be displaced by the completion of this activity. Schlosser motioned to approve the Relocation, Displacement, and Acquisition Plan. Linnea-Turcotte seconded. Motion carried.
- v) Local Match Statement: The State of South Dakota encourages a local match in the CDBG program to promote local interest and effort in the project. The City of Timber Lake will be providing local match for the CDBG resulting in the cleaning, televising, and repairs or replacement to the current wastewater infrastructure. Additional sewer mains and a lift station may be added as part of the overall project. The City of Timber Lake plans on completing the funding package by completing a local application through the SD-DANR State Revolving Fund Program. Schlosser

motioned to approve the Local Match Statement. Linnea-Turcotte seconded.  
Motion carried.

vi) Operation and Maintenance Statement: CDBG requires the local unit of government to establish the amount of reserve funds that will be required to provide operation, maintenance, and report of the project. The operation and maintenance of the wastewater infrastructure will be done by the City of Timber Lake employees. Operational funds will be funded by the City of Timber Lake. Schlosser motioned to approve the Operation and Maintenance Statement. Linnea-Turcotte seconded.  
Motion carried.

vii) Form 8 – Documentation of Environmental Exemption: CDBG requires the local unit of government to utilize the grant funding for the specific activity described. Environmental design and engineering are exempt from environmental review. Schlosser motioned to approve Form 8 – Documentation of Environmental Exemption. Linnea-Turcotte seconded. Motion carried.

D) Building permit (Fallon Murphy and DuJuan Bad Warrior)

The Board reviewed and discussed a New Construction & Improvements – Building Permit submitted by Fallon Murphy and DuJuan Bad Warrior. They are applying to remove an existing 1974 mobile home, placement of a manufactured home, and construct a fence on their property located on Block 28 Lots 8 and 9. It is noted the required survey is forthcoming. Schlosser motioned to approve the Building Permit. Koenig seconded. Motion carried. A copy of the approved permit is on file in the City Finance Office, the Dewey County Equalization Office, and with the permittee.

10) Department Reports:

A) Custodial (Karen Kraft)

Karen was not present for discussion. The Board did discuss the following matters relevant to the Community Center.

i) 2022 Lawn Care Program (Pfitzer Lawn Care): The Board reviewed and discussed the annual grounds maintenance agreement with Pfitzer Lawn Care. Currently, the agreement provides for three (3) weed control only treatments at a cost of \$240 annually. The Board discussed the need for additional services and considered the 2022 budget for grounds maintenance. It was agreed the lawn maintenance should include dethatching (spring) at a cost of \$160 and four (4) weed and feed treatments at a cost of \$120 each or \$480 annually. The Board directed Nordyke to update the 2022 Lawn Care Program contract on a pay-as-go payment option.

ii) Probationary Period: Karen's first day of employment was May 17, 2021. Her six-month probation completion discussion has been pending since December. Discussion occurred. Schlosser motioned Karen has successfully completed the

probation period and her hourly wage be increased by \$1.00 (to \$14.00 per hour). Hermes seconded. Motion carried. Everyone agreed Karen is doing a good job.

B) Maintenance (Jerimiah Garon)

- i) Streets: Jerimiah reported he is still waiting for the sander. He and the Board also discussed the need to repair or replace culverts at intersections of Main and 3<sup>rd</sup> Streets and 8<sup>th</sup> and E Streets.
- ii) Water: Jerimiah reported he is now holding the Class I Water Treatment operator license. He also explained he needed to do an emergency hydrant flush recently because of discolored water in the lines; it resolved quickly. It was agreed the probable cause was an ice chunk in the water tower loosened and fell into the water.
- iii) Sewer: Jerimiah reported the basket for the south lift station is ordered. He has located a mechanical crane to lift the basket at a cost of about \$350. Jerimiah also reported he will be writing the certification examination for Class I Wastewater Collection as required now that the city has a population over 500.
- iv) Landfill: Jerimiah reported the restricted use site is being managed. He mentioned he is now billing for service usage and that function seems to be going well.
- v) Electrical Upgrades (Quote: Dakota Foam & Electric): Jerimiah presented a quote from Jason Kraft (Dakota Foam & Electric) to complete some electrical upgrades. Discussion occurred.
  - (1) Ambulance Garage – Jerimiah would like to add outlets between the overhead doors, add an outlet for the unit heater, and transfer lighting power and overhead door power to the generator panel. Schlosser motioned to approve this project at a quoted cost of \$1,320.45. Linnea-Turcotte seconded. Motion carried. Hermes mentioned it is possible the Ambulance Committee might be willing to cost-share this improvement.
  - (2) Finance Office – Lighting in the finance office and new meeting room can be improved by retrofitting LED light fixtures. Schlosser motioned to approve the project at a quoted cost of \$685.17 to retrofit 12 3-lamp light fixtures and any additional fixtures would be at \$57.10 each if they were also 3-lamp fixtures. Linnea-Turcotte seconded. Motion carried.
  - (3) North Lift Station – Jerimiah would like to add a 200-amp 3-phase transfer switch and flanged inlet plug to the north/main lift station so he has a backup service to the generator. Schlosser motioned to approve the improvement at a quoted cost of \$1,917.87. Linnea-Turcotte seconded. Motion carried.
- vi) Trash Cans: As previously discussed and planned for in the 2022 budget, Jerimiah asked the Board to authorize him to order trash cans. The Board planned to purchase 12 concrete trash receptacles to be placed along Main Street at a cost of

\$250 each. Koenig motioned the city purchase 12 concrete trash receptacles from Boom Concrete at a cost of \$250 each. Schlosser seconded. Motion carried.

C) Law Enforcement Activity Report (Sheriff Assman):

No report. No discussion.

D) Finance (Karla Nordyke)

Karla discussed the following matters with the Board.

i) Grant Application(s) Submitted – Update

(1) Community Development Block Grant (CDBG) for Water system Improvement Project – Karla reported the City has received a letter from the SD Governor’s Office of Economic Development informing that Governor Kristi Noem has awarded Timber Lake a \$770,000 CDBG grant.

(2) SD-DANR Grant/Loan Application for Water System Improvement Project – Karla reported the SD-DANR State Revolving Fund application was recently corrected. Any loans awarded for the water system improvement project will be at a 30-year term at 1.875% APR (corrected from 2.125% APR).

(3) SD-DANR Grant/Loan Application for Water System Improvement Project – Karla reported the City has received a letter from the SD-DANR Funding Program informing that the grant/loan application has been received, reviewed, and is considered complete. The application will be presented to the Board of Water and Natural Resources for funding consideration at their next meeting scheduled April 12-13, 2022.

ii) District 7 SD Municipal League Meeting Attendance – Karla presented information about the upcoming District 7 annual meeting, scheduled March 22, 2022 in Herreid. None of the Trustees expressed an interest in attending.

iii) Delinquent Accounts -- Karla reported the following information regarding customer accounts.

(1) Late Payment Charges & Disconnect Warnings (31-60 days past due) – 3 accounts were assessed a \$10 late payment charge and 16 accounts were assessed a \$10.00 late payment charge and provided a disconnection warning.

(2) Disconnections – 5 service disconnections are scheduled

(3) Due Process Notice(s) – 4 customers received a first notice. No customers received a second notice nor a final notice.

(4) Financial Arrangements – 1 account has an approved financial arrangement. Customer is one month behind with the plan.

(5) Legal Action Status – 4 accounts remain referred to CRST Small Claims Court (no change) and 2 accounts remain referred to CRST Civil Claims Court. Customer with small claims court judgement has complied with the judgement and has entered into a financial arrangement. Customer with small claims court compliant filed has recently deceased. Schlosser motioned to write off the



account balance of \$783.64 as uncollectable debt. Koenig seconded. Motion carried.

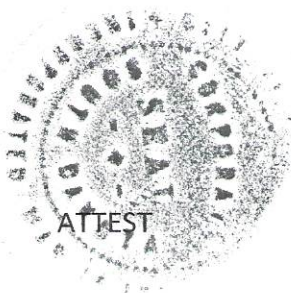
(6) Delinquent Account Status (61+ days past due) -- Overall, the delinquent account balance total shows a slight increase from last month (\$516.89).

11) Schedule Next Meeting:

The next regularly scheduled meeting is set for Monday, March 7, 2022 at 6:00 PM, in the City Finance Office.

12) Adjourn:

At 7:58 PM, Schlosser motioned the meeting be adjourned. Koenig seconded. Motion carried.



APPROVED: Tom Hermes  
Tom Hermes, Board President

Karla Nordyke  
Karla Nordyke, City Finance Officer

Recorded: February 11, 2022

Published: February 17, 2022

Published at an approximate cost of \_\_\_\_\_

**GENERAL GOVERNMENT**

SD Dept of Labor, Reemployment Assistance	0.20	Already Paid: 01/14/22; EFT	Administrative Fee (4th Quarter 2021)
SD Dept of Revenue	352.90	Already Paid: 01/20/22; EFT	Sales Tax Liability (December)
VISA	24.45	Already Paid: 01/25/22; Check #31459	Office Supplies: Microsoft-Subscription & Adobe Pro Software
US Treasury (Internal Revenue Service)	1,350.06	Already Paid: 01/25/22; EFT	Payroll Liabilities & Employer Payroll Taxes (January)
SD Retirement System	517.92	Already Paid: 01/25/22; Check #31461	Employee Benefits: Retirement (Payroll Liabilities & Employer Match)
Dewey County Treasurer	5,000.00		Law Enforcement Services (February)
TimberLake Topic	252.46		Publishing (January)
Penfield Law	300.00		Legal Services (January)
Health Pool of SD	1,434.54		Employee Benefits: Health & Life Insurance & Payroll Liabilities
ELO Prof., LLC	70.00		Cloud Fees: January
American Solutions for Business	208.45		Office Supplies
A&B Business Solutions	113.69		Printer Maintenance (January)
Three Rivers IMH & CDC	700.00		Health & Wellness Community Contribution
MacQueen Emergency	3,262.37		Fire Dept.: Pumper Truck Certification
Dakota Supply Group	236.91		Community Center: Emergency Exit Fixtures & Circuit Breaker Finder
Biegler Equipment	134.07		General Supplies & Materials: Community Center
Dakota Supply Group	219.38		Community Center: Emergency Exit Fixtures
Anytime Heating & Cooling	100.11		Ambulance Garage: Furnace Maintenance
Sabertooth Electric	640.85		Community Center Generator: Starter & Cold Weather Kits
Plunkett's Pest Control	205.10		Community Center & Library: General Pest Control
Servall Uniform & Linen Supply	235.66		Mats & Mops & Linens
G&O Paper and Supplies	68.10		Cleaning Supplies
Mobridge Gas	1,039.50		Propane: Community Center
Slater Oil	680.20		Fire Dept.: Propane
Moreau Grand Electric Coop.	1,763.47		Electricity: Community Center, Fire Hall
CRST Telephone Authority	171.90		Internet
Century Link	201.71		Telephone & Fax Lines
	<u>19,284.00</u>		

**STREETS/PARKS/LANDFILL**

SD Dept of Labor, Reemployment Assistance	0.23	Already Paid: 01/14/22; EFT	Administrative Fee (4th Quarter 2021) 40%
US Treasury (Internal Revenue Service)	368.98	Already Paid: 01/25/22; EFT	Payroll Liabilities & Employer Payroll Taxes (January) 40%
SD Retirement System	179.30	Already Paid: 01/25/22; Check #31461	Employee Benefits: Retirement (Payroll Liabilities & Employer Match) 40%
Health Pool of SD	312.87		Employee Benefits: Health & Life Insurance (40%)
Western Dakota Bank	1,605.35		Loan Payment #14/60 (Blade): Principal (1,370.95) & Interest (234.40)
Biegler Equipment	271.19		Supplies, Tools, Equipment Maintenance
Biegler's Timber Lake Service	90.05		Fuel (December)
Mobridge Gas	1,334.34		Propane: City Shop
AT&T Mobility	33.40		iPad Connectivity (40%)
Moreau Grand Electric Coop.	1,654.35		Electricity: Airport, Fire hall, City Shop, Street Lights, Camper Site
	<u>5,850.06</u>		

**WATER/SEWER**

SD Dept of Labor, Reemployment Assistance	0.37	Already Paid: 01/14/22; EFT	Administrative Fee (4th Quarter 2021) 60%
US Treasury (Internal Revenue Service)	553.48	Already Paid: 01/25/22; EFT	Payroll Liabilities & Employer Payroll Taxes (January) 60%
SD Retirement System	268.96	Already Paid: 01/25/22; Check #31461	Employee Benefits: Retirement (Payroll Liabilities & Employer Match) 60%
Health Pool of SD	469.31		Employee Benefits: Health & Life Insurance (60%)
Biegler's Timber Lake Service	135.07		Fuel (December)
South Dakota 811	13.44		Locate Fees (4th Quarter 2021)
AT&T Mobility	50.10		iPad Connectivity (60%)
Moreau Grand Electric Coop.	1,111.49		Electricity: Well Houses & Lift Stations
TimberLake Topic	40.99		Publishing - Hearing (January)
SD-DANR	60.00		Certification Exam Fee - Wastewater Collection
	<u>2,703.21</u>		

Grand total

27,837.27



Timber Lake Town Board Meeting Sign-In Sheet  
 Public Hearing Regarding Timber Lake Wastewater Applications  
 Monday February 7, 2022 at 6:05 PM

Name	E-mail Address	Affiliation
Paul M. Wehler	paulm@coded.org	CSD ED
Trent Baumister	trent.baumister@img.com	IMEG
Joe Scherer	joescherer150@yaho.com	TLAD
Jeremiah Garon	jeremiahgar@gmail.com	City of Timber Lake
Sandra Koenig	Hsd356@hotmail.com	City
Tom Heumer	605-848-1051	T.L. City
Tess Schlosser	605-848-1349	T.L. City
Kristen Gill	kristen@gleand.com	TLAD
William Linnea - Turvotte	freebobeme1949@gmail.com	T.L. City
Katie Ardure	cityoftl@tlad.us	City of Timber Lake
Katy Adkins	freibobeme1949@gmail.com	TLAD
Michael Calompts (by telephone)	605-865-3650	City of Timber Lake
Liker Calompts (by telephone)	605-865-3650	Residents of Community