

TIMBER LAKE CITY BOARD  
REGULAR MEETING  
JULY 12, 2022  
6:00 PM  
CITY FINANCE OFFICE

- 1) Board President Tom Hermes called the meeting to order at 6:00 PM.
  - Board Present: Tom Hermes, Jess Schlosser, Michael LaCompte, Sandra Koenig, and Brent Biegler
  - Council Absent: None
  - Employees Present: Karla Nordyke and Jerimiah Garon
  - Guests/Others Present: Kathy Nelson, Anne LaCompte, Trent Baumeister, Char Boysen, and Kermit Miner
  
- 2) Declaration of Conflict of Interest  
None of the Trustees self-disclosed a conflict of interest on any agenda item. No conflict of interest was identified by the Board.
  
- 3) Approval of Agenda:  
Koenig motioned to approve the agenda with no changes. Biegler seconded. Motion carried.
  
- 4) Public Forum and Visitors: None
  
- 5) Approval of Last Meeting Minutes:  
Koenig motioned to approve the minutes of June 8, 2022 with no corrections. LaCompte seconded. Motion carried.
  
- 6) Financial Report:
  - A) Reconciliation Report: Checking Account (June)  
Board reviewed and discussed the reconciliation summary, detail, and bank statement for the City's checking account for the month of June.
  - B) Reconciliation Report: Savings Account (Second Quarter)  
Board reviewed and discussed the reconciliation summary, detail, and bank statement for the City's savings account for the months of April, May, and June.
  - C) Cash Flow Report  
Board reviewed and discussed the monthly financial report. Koenig motioned to approve the June Cash Flow Report. Biegler seconded. Motion carried.

**CASH FLOW REPORT  
(MONTHLY FINANCIAL REPORT)  
JUNE 2022**

	GENERAL FUND	ENTERPRISE FUNDS WATER FUND	SEWER FUND	TOTAL
<b>Beginning Balance (Checking Account) (As of 06/01/2022)</b>	578,056.4 6	262,950.3 1	84,015.7 3	925,022.5 0
<b>Total Receipts (Income)</b>	16,130.64	11,112.81	6,918.62	34,162.07
<b>Total Expenditures</b>	52,392.16	1,943.99	1,975.56	56,311.71
<b>Ending Balance (Checking Account) (As of 06/30/2022)</b>	541,794.9 4	272,119.1 3	88,958.7 9	902,872.8 6
<b>Savings Account Balance (As of 06/30/2022)</b>	57,156.74			57,156.74
<b>Cash Value of Certificate of Deposits (As of 06/30/2022)</b>	28,000.00			28,000.00
<b>Petty Cash (As of 06/30/2022)</b>	150.00			150.00
<b>TOTAL FUND BALANCES (As of 06/30/2022)</b>	627,101.6 8	272,119.1 3	88,958.7 9	988,179.6 0

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**Daily Ledger Balance (Bank) -- Checking Account  
(As of 06/30/2022)** 903,201.44

D) Quarterly Reports (April, May, and June)

- i) Top 10 Revenue & Expense Accounts: Board reviewed the top 10 revenue and top 10 expense accounts for the second quarter of 2022 as compared to the second quarter of 2021. There were no unexpected outcomes.
- ii) Fund Balance Trends Report: Board reviewed the second quarter-end fund balances for the Water and Sewer enterprise funds. Board also reviewed the second quarter-end fund balances for the Community Center, Solid Waste/Garbage Collection, and the Landfill/Restricted Use Site General fund accounts. There were no unexpected outcomes.
- iii) Taxable Sales: Board reviewed the SD Department of Revenue statistics showing taxable sales subject to the city tax rate for the months of January to June 2022. There were no unexpected outcomes. This monitoring report now also includes sales-use tax paid by online sales (remote sellers).
- iv) Budget versus Actual Comparison Report  
Board reviewed the Budget vs. Actual Report for January 1 through June 30, 2022. Discussion occurred. It is noted that total General Fund revenue is as expected (56%); Water Fund revenue is as expected to date (53%); Sewer Fund income is 59% of expected. It is also noted that expenditures to date by fund are as follows: Sewer Fund (20%); Water Fund (15%); and General Fund (29%).

7) Accounts/Claims Payable:

The Board reviewed and discussed the claims presented for payment. Biegler motioned to approve the claims presented for payment totaling \$33,668.33 and \$12,724.20 payroll expenses. Koenig seconded. Motion carried. See Attachment 1.

8) OLD BUSINESS

- A) Building Permit & Survey Review (Ethan Aberle)  
Survey not yet presented. No discussion.

9) NEW BUSINESS

- A) Land Use (Kermit Miner)  
Kermit Miner presented with a complaint about the City not making City-owned properties available to everyone for haying of grass. He said he would like to see the City advertise the opportunity to hay City-owned properties which are not regularly mowed. He would like to see that advertisement in the form of a bid process.  
Discussion occurred. The Board agreed to consider his request. The Board directed Nordyke to place this matter on the next agenda for further discussion and to develop a lease document to define terms and conditions.

B) Building Permit (Wes Atchison)

The Board reviewed and discussed a New Construction & Improvements – Building Permit submitted by Wes Atchison. He applied to construct an 8’ x 16’ deck on the east side of his residence located at 612 Main Street on Block 30 Lots 15-18. It is noted there are no encroachment issues with the placement of the deck. Biegler motioned to approve the Building Permit. Koenig seconded. Motion carried. A copy of the Permit is on file in the City Finance Office, the Dewey County Equalization Office, and with the Permittee.

C) 2023 Joint Cooperative Agreement (Central SD Enhancement District)

Board reviewed and discussed the 2023 Joint Cooperative Agreement and Financial Commitment to the Central SD Enhancement District. Biegler motioned to obligate the city to continued membership for the year 2023, at a cost of \$895.47. Koenig seconded. Motion carried. The Board also agreed to continue its contribution to Dewey County for County membership.

D) Agreement for Administrative Assistance and CDBG Grants (Central SD Enhancement District)

i) Wastewater System Project: Board reviewed and discussed the Agreement for Administrative Assistance between the City and the Central SD Enhancement District. CSDED agrees to provide assistance in meeting the administrative requirements of the Community Development Block Grant (CDBG), the SD-DANR State Revolving Fund loan, and the SD-DANR ARPA grant monies awarded for the clean water (wastewater/sewer) improvements project. The cost of this agreement is \$35,000 (\$17,500 paid upon submission of the first contractor payment and \$17,500 payable upon the final payment to the contractor). This expense is reimbursable using grant monies. Koenig motioned to approve the Agreement. LaCompte seconded. Motion carried.

ii) Water System Project: Board reviewed and discussed the Agreement for Administrative Assistance between the City and the Central SD Enhancement District. CSDED agrees to provide assistance in meeting the administrative requirements of the Community Development Block Grant (CDBG), the SD-DANR State Revolving Fund loan, and the SD-DANR ARPA grant monies awarded for the drinking water system improvements project. The cost of this agreement is \$40,000 (\$20,000 paid upon submission of the first contractor payment and \$20,000 payable upon the final payment to the contractor). This expense is reimbursable using grant monies. Koenig motioned to approve the Agreement. LaCompte seconded. Motion carried.

E) Water Project Engineering Project Proposal (IMEG Engineering)

Trent Baumeister, City Engineer from IMEG Engineering, was present for the Board's review, discussion, and consideration of the proposal for survey, design, and bidding portion of the water utility improvements project. It is noted that construction administration and observation will be covered under a separate agreement at a later date. The fee amount is unchanged from the estimates provided in the small community planning grant study, or \$386,000. Baumeister detailed the changed project schedule. The original schedule was predicated on beginning work immediately in April 2022. The updated schedule predicates beginning the project scope design in July 2022. Discussion occurred. The Board's questions on some terms and conditions were answered satisfactorily. The engineering cost are allowable expenses in the grant awards. Biegler motioned to approve the Agreement. Koenig seconded. Motion carried.

F) SD Department of Health West Nile Prevention Grant Funding Award and Contract

The Board reviewed and discussed the contract between the SD Department of Health and the City. The city was awarded \$2,447 for West Nile Prevention within its' City limits. Koenig motioned to accept the grant award and approve the agreement. Biegler seconded. Motion carried.

G) SD-DANR Grant Funding Agreement (Wastewater Infrastructure Improvement Project)

The Wastewater Infrastructure Improvement Project is fully funded. This \$3,513,400 project is funded by a \$750,000 CDBG grant; a \$464,334 State ARPA Funds grant; and a \$2,229,066 Clean Water State Revolving Fund Loan (2.125% interest; 30-year term). The Board reviewed the State ARPA grant agreement between the City and the SD Department of Agriculture and Natural Resources (SD-DANR). The grant is for \$464,334 of eligible costs. Koenig motioned to approve the Agreement and accept the grant award. LaCompte seconded. Motion carried.

10) Department Reports:

A) Custodial (Vacant)

- i) Vacant Position: Karla reported an application has been received and the applicant is present. The Board reviewed Charyl (Char) Boysen's application for employment and discussed the position with her. Discussion occurred regarding duties, expectations, scheduling, benefits, and pay. Koenig motioned to hire Char Boysen for the Community Center Custodial position at \$16.00 per hour; 20-hours per week; allowable part-time benefits (retirement and holiday pay). Biegler seconded the motion. Motion carried. Char accepted the position.
- ii) Divider Replacement: Karla presented information for a side-folding accordion divider designed to provide privacy, security separation and sound control. The

Board agreed this product will likely serve the needs. The Board directed Karla to pursue further information with the dealer; she will have it available at the next meeting.

B) Maintenance (Jerimiah Garon)

- i) Streets: Jerimiah reported he has been fixing wash-outs from the recent storm(s). Norman bladed recently and that helped. Jerimiah also reported briefly on the sign project; he has contacted the contractor regarding the need to move some signs that are not appropriately placed.
- ii) Water: Jerimiah reported he replaced a VFD keypad interface at one of the well-houses, which was under warranty. To lessen the damage to the electronics, he will be adding an exhaust fan in each well house to vent out chemical fumes. Schlosser also reported the water leak on Main (Block 4) has been fixed. Initially, it was thought the handicapped sign placement cut the water service. However, it was discovered the line was leaking on the customer-side of the curb-box and the sign placement was not the cause.
  - (1) Meter System Conversion (Quotes: Milbank Winwater Works): The City needs to change its metering system with Mueller. The Mueller company is no longer doing business with KPI – the automatic meter reading system currently used by the City. Jerimiah presented two quotes from Milbank Winwater Works. One option is a drive-by reading system (quote #6963). The cost to convert to a drive-by system is quoted at \$25,400 with annual support of \$1,200. The second option is an AMI (automatic meter instrument) with “Sentryx” hosting. The cost to convert to the Sentryx system is quoted at \$32,436.17 with an annual cost of \$3.00 per meter; \$12,000 project management fees which is waived during the conversion; and \$0 support for 2-years. The Board discussed the advantages and disadvantages of each option. The Board also discussed the continued cooperative arrangement with the Town of Isabel and the Trail City and Glencross water systems. Currently, all three systems utilize the same service and cost-share the expense. Karla reported the Town of Isabel Board chose the Sentryx option. The TC&G Board will be making their decision later this week. The quoted price is greatly reduced because of the Mueller company’s decision to discontinue KPI products. Their decision caused hardship on the City of Timber Lake, the Town of Isabel, and the TC&G rural water system. Reduced pricing is locked-in until 2024. Schlosser motioned to convert to the Sentryx hosted system. Biegler seconded. Motion carried.
- iii) Sewer: Jerimiah reported the mains on the west side of town to the lift-station have been jet-washed. He reported the flow seems to have improved. The A-1 Sewer and Drain report is not yet received.

- iv) Landfill: Jerimiah reported the landfill is maintaining. He intends to utilize a bulldozer in the near future to compact debris in the rubble pile. He also discussed the landfill inspection report with the Board. On May 24, 2022, staff from the SD-DANR conducted a routine inspection of the restricted use site. Based on the inspection, the City of Timber Lake’s restricted use site is operating in a poor compliance manner with its permit. The poor rating is primarily due to inadequate soil cover over the burial pile, unauthorized waste, and storm water control. Due to the number of unauthorized wastes observed onsite, the DANR Waste Management Program advises that the site not be left open to the public without a site attendant on duty. Jerimiah reiterated the landfill will be open during its posted hours.
  - v) Park: Jerimiah reported the Park is maintaining. The storm water is going away and he has been mowing as needed.
  - vi) Quarterly Reports (Second Quarter 2022): The Board reviewed the Maintenance Department’s quarterly reports for the months of April, May, and June, 2022. Reports include: Water Consumption and Loss Ratio; Well-House Inspection Logs; Lift Station Inspection Logs; and Lagoon Inspection Logs. There was discussion about the 23% average water loss ratio.
- C) Law Enforcement Activity Report (Sheriff Arpan):  
No report has been received for the months of May or June. Brief discussion occurred.
- D) Finance (Karla Nordyke)
- i) Auto-supplement 2022 budget (Mosquito Control Grant Award): Karla requested the Board’s authority to auto-supplement the 2022 budget. Hermes motioned to approve the auto-supplement as shown below. Schlosser seconded. Motion carried.
 

Revenue: 101-334.2	Mosquito Control Grant	\$2,447
Expense: 440-441.3-426-WN	West Nile Supplies	\$2,447
  - ii) Insurance Claim & Status: Karla provided a copy of the Auto/Property Claim Notice submitted to the SD Public Assurance Alliance. She reported adjustors from Claims Associates have already inspected the vehicles and properties. Their adjustment is forthcoming.
  - iii) Fireworks Ordinance (Discussion for Amendment): Karla reported the City’s current fireworks ordinance is not consistent with prior year provisions nor SD State Law. Discussion occurred. The Board directed Karla to draft an amendment to the Fireworks ordinance (#5.0401) to comply with SD State Law.
  - iv) City Park Signage: Karla presented information from potential vendors for a sign to place at the park to show appreciation of contributors and volunteers. The Board reviewed responses from Dakota Silk Screen (Timber Lake); Open Canvas (Mobridge); and Newman Signs (Jamestown, ND). Discussion occurred. Schlosser

motioned to order a 4' x 4' metal sign from Newman Signs at a cost of \$232.00 plus shipping. Koenig seconded. Motion carried.

- v) MAP Training – Request to Attend and Travel: Karla presented information received from Midwest Assistance Program about an afternoon training in Rapid City on July 20, 2022. This training is focused on managing long term debt, loan obligations, and rates. Schlosser motioned to approve Karla's attendance at this training at a cost of mileage reimbursement. Koenig seconded. Motion carried.
- vi) Project(s) Funding & Next Steps – Update: Karla provided an overview of the next steps needed for each infrastructure improvement project. Necessary to complete prior to letting bids include, but may not be limited to, the following: a) sign-off on historical preservation documents – water and sewer; b) CDBG grant agreements – water and sewer; c) bond resolution and surcharge resolution for DANR-RSF loan – sewer; d) engineer project design contract – sewer; and e) project designs approved by City and DANR – water and sewer.
- vii) 2023 Budget Planning: Karla reported it is time to start planning next year's budget. She intends to have the preliminary budget reports ready for the next meeting. Meanwhile, she encourages the Board and Department Managers to start thinking about projects and needs.
- viii) Delinquent Accounts: Karla reported the following information regarding customer accounts.
  - (1) Late Payment Charges & Disconnect Warnings (31-60 days past due) – 5 accounts were assessed a \$10 late payment charge and 6 accounts were assessed a \$10.00 late payment charge and provided a disconnection warning.
  - (2) Disconnections – 2 service disconnections are scheduled.
  - (3) Due Process Notice(s) – 3 customers received a first notice. No customers received a second notice. 1 customer received a final notice.
  - (4) Financial Arrangements – 3 accounts have an approved financial arrangement. 2 accounts are in compliance and the other customer has promised to get into compliance soon.
  - (5) Legal Action Status – 1 account remains referred to CRST Small Claims Court and 1 account remain referred to CRST Civil Claims Court. No change.
  - (6) Delinquent Account Status (61+ days past due) -- Overall, the delinquent account balance total shows a decrease from last month (\$364.04).

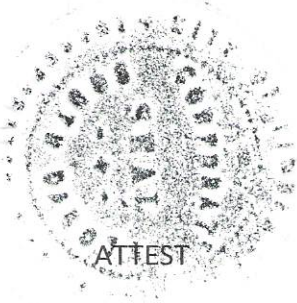
#### 11) Schedule Next Meeting:

The next regularly scheduled meeting is set for Tuesday, August 9, 2022 at 6:00 PM, in the City Finance Office.



12) Adjourn:

At 8:00 PM, Schlosser motioned the meeting be adjourned. Koenig seconded. Motion carried.



APPROVED: \_\_\_\_\_

A handwritten signature in black ink that reads "Tom Hermes".

Tom Hermes, Board President

A handwritten signature in blue ink that reads "Karla Nordyke".

Karla Nordyke, City Finance Officer

Recorded: July 15, 2022

Published: July 21, 2022

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

CITY OF TIMBER LAKE

ACCOUNTS/CLAIMS PAYABLE: JUNE 2022

APPROVED: JULY 12, 2022

**GENERAL GOVERNMENT**

Postalia	400.00	Already Paid: 06/13/22; EFT	Postage
SD Dept of Revenue	311.89	Already Paid: 06/20/22; EFT	Sales Tax Liability (May)
SD Retirement System	445.76	Already Paid: 0/24/22; Check #31646	Employee Benefits: Retirement (Payroll Liabilities & Employer Match)
US Treasury (Internal Revenue Service)	851.52	Already Paid: 06/24/22; EFT	Payroll Liabilities & Employer Payroll Taxes (June)
VISA	46.56	Already Paid: 06/24/22; Check #31645	Office Supplies: Microsoft & Adobe; Web Domain, Election Supplies
A&B Business Solutions	86.24		Printer Maintenance (June)
American Solutions for Business	152.14		Office Supplies
Biegler Equipment	19.72		Community Center: General Supplies
CRST Telephone Authority	146.90		Internet
Century Link	203.79		Telephone & Fax Lines
Dewey County Treasurer	5,000.00		Law Enforcement Services (July)
ELO Prof., LLC	74.00		Cloud Fees (May)
G&O Paper and Supplies	238.90		Paper & Cleaning Supplies: Community Center, Library
Greg Garon	167.54		Fuel: Swim Bus
Health Pool of SD	1,434.54		Employee Benefits: Health & Life Insurance & Payroll Liabilities
Herman's Service	52.10		Fuel: Swim Bus
Karla Nordyke	90.00		Cell Phone Reimbursement (2nd Quarter)
Karla Nordyke	37.80		Mileage Reimbursement (Eagle Butte)
Menard's -- Aberdeen	415.03		Maintenance: Community Center Flooring
Menard's -- Bismarck	1,782.81		Maintenance: Community Center Flooring
Moreau Grand Electric Coop.	489.11		Electricity: Community Center, Fire Hall
Penfield Law	300.00		Legal Services (June)
Pfizer Pest Control	120.00		Grounds/Lawn Maintenance
Servall Uniform & Linen Supply	275.96		Mats & Mops & Linens
Timber Lake Topic	240.08		Publishing (June)
	<u>13,382.39</u>		

**STREETS/PARKS/LANDFILL**

SD Retirement System	161.62	Already Paid: 06/24/22; Check #31646	Employee Benefits: Retirement (Payroll Liabilities & Employer Match) 40%
US Treasury (Internal Revenue Service)	341.30	Already Paid: 06/24/22; EFT	Payroll Liabilities & Employer Payroll Taxes (June) 40%
VISA	189.49	Already Paid: 06/24/22; Check #31645	Maintenance: Park Equipment & Fuel
AT&T Mobility	35.80		iPad Connectivity (40%)
Biegler Equipment	351.57		Supplies, Equipment Maintenance
Bridge City Small Engine & Rentals	54.18		Park Equipment Maintenance: Mower
G&O Paper and Supplies	69.20		Paper Supplies: Park
Health Pool of SD	312.87		Employee Benefits: Health & Life Insurance (40%)
Heartland Waste Management	4,380.00		Garbage Collection (June)
Herman's Service	656.62		Fuel (June): Street Maintenance & Mowing
Jeremiah Garon	36.00		Cell Phone Reimbursement (2nd Quarter) - 40%
Moreau Grand Electric Coop.	1,240.78		Electricity: Airport, City Shop, Street Lights, Camper Site
Warne Chemical & Equipment	45.72		Park Equipment Maintenance: Sprayer
Western Dakota Bank	1,605.35		Loan Payment #19/60 (Blade): Principal (1,401.04) & Interest (204.31)
Menard's -- Rapid City	35.04		Concrete Pads: Garbage Cans
	<u>9,515.54</u>		

WATER/SEWER	242.44	Already Paid: 06/24/22; Check #31646	Employee Benefits: Retirement (Payroll Liabilities & Employer Match) 60%
SD Retirement System	511.96	Already Paid: 06/24/22; EFT	Payroll Liabilities & Employer Payroll Taxes (June) 60%
US Treasury (Internal Revenue Service)	5,977.80		Jetwash Sewer Mains - West Side (9,963' @ .60)
A-1 Sewer & Drain			iPad Connectivity (60%)
AT&T Mobility	53.70		General Supplies & Well Maintenance
Biegler Equipment	84.73		Maintenance: Well 1-A (Electrical Upgrade)
Dakota Foam and Electric	847.61		VFD Keypad Interface
Dakota Pump & Control	29.85		Water Treatment Chemicals
Hawkins	701.33		Employee Benefits: Health & Life Insurance (60%)
Health Pool of SD	469.31		Fuel (June)
Herman's Service	65.05		Cell Phone Reimbursement (2nd Quarter) - 60%
Jerimah Garon	54.00		Saddle
Milbank Winwater Works	217.00		Electricity: Well Houses & Lift Stations
Moreau Grand Electric Coop.	645.03		Water Analysis
ND Dept. of Health	32.00		2022 Drinking Water Fees
SD-DANR	220.00		Maintenance: Well 1-A (Ball Valve & Adapter)
Schlusser Ditching & Plumbing	154.63		Publishing Bond Resolutions: Water Project
Timber Lake Topic	463.96		
	<u>10,770.40</u>		
Grand Total	<u><u>33,668.33</u></u>		

