

TIMBER LAKE CITY BOARD  
REGULAR MEETING  
MAY 8, 2023  
6:30 PM  
CITY FINANCE OFFICE

- 1) Finance Officer, Karla Nordyke, called the meeting to order at 6:40 PM.
  - Board Present: Tom Hermes, Sandra Koenig, and Michael LaCompte (by telephone)
  - Board Absent: Brent Biegler
  - Employees Present: Karla Nordyke, Jerimiah Garon, and Roger Hieb
  - Guests/Others Present: Kathy Nelson
  
- 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:  
LaCompte motioned to approve the agenda with no changes. Koenig seconded. Motion carried.
  
- 4) Organization of 2023-2024 City Board of Trustees
  - A) Appointment of Trustee to Vacant Position and Oath of Office  
Hermes nominated Jess Schlosser to be appointed to the vacant Trustee position on the 2023-2024 Board. Koenig seconded. Schlosser accepted the nomination. Motion carried. Jess Schlosser solemnly swore to support the Constitution of the United States and the Constitution of the State of South Dakota and to faithfully discharge the duties of Trustee for the City of Timber Lake. Signed and sealed oath is on file in the Finance Office. (1-Year Term; Appointed)
  - B) Election of Board President (SDCL 9-7-5)  
Koenig nominated Tom Hermes for the Board President position. Schlosser seconded. Hermes accepted. Motion carried. Nordyke relinquished the meeting chair role to the Board President.
  - C) Election of Board Vice President  
Koenig nominated Jess Schlosser for the Board Vice-President position. Hermes seconded. Schlosser accepted. Motion carried.
  - D) Designate Official Signatories (SDCL 9-23-3)  
The Board agreed the Board President, the Board Vice-President, and the Finance Officer should continue as the designated official signatories. Koenig motioned Tom

Hermes (Board President), Jess Schlosser (Board Vice-President), and Karla Nordyke (Finance Officer) be designated as the official signatories (no change). Schlosser seconded. Motion carried.

- E) Designate Official Financial Depository (SDCL 9-22-6)  
Schlosser motioned Western Dakota Bank – Timber Lake Branch be continued as the designated official financial depository. Koenig seconded. Motion carried.
- F) Designate Official Newspaper (SDCL 9-12-6)  
Koenig motioned *Timber Lake Topic – Continuing the Isabel Dakotan* be continued as the designated official newspaper. Schlosser seconded. Motion carried.
- G) Designate Official City Attorney  
Schlosser motioned Shane Penfield, Penfield Law Firm, PLLC, of Lemmon, South Dakota continue as the official city attorney. Koenig seconded. Motion carried.
- H) Designate Official Airport Manager  
Schlosser motioned Jake Kraft be continued as the designated airport manager. Koenig seconded. Motion carried.
- I) Designate Board of Equalization Representative  
Hermes motioned Mike LaCompte be continued as Timber Lake’s representation on the consolidated Dewey County Board of Equalization. Koenig seconded. LaCompte accepted the position. Motion carried.
- J) Designate Official Single Audit Accountable Official (OMB; COFAR)  
Schlosser motioned the Board President continue to serve this position; he nominated Tom Hermes. Koenig seconded. Hermes accepted the position. Motion carried.
- K) Designate Official Single Audit Liaison (OMB; COFAR)  
Schlosser motioned the Board President continue to serve this position; he nominated Tom Hermes. Koenig seconded. Hermes accepted the position. Motion carried.
- L) Approve Volunteers (Storm Watchers, Recreational, Miscellaneous)  
The Board discussed and agreed to the continued approval of volunteers representing twelve (12) storm watch watchers (unnamed); four (4) recreation volunteers (unnamed); and six (6) miscellaneous volunteers (unnamed), including volunteerism for City-sponsored events. Schlosser motioned 12 storm water positions, 4 recreation volunteer positions, and 6 miscellaneous volunteer positions be approved for SDCML-Workers’ Compensation coverage. Koenig seconded. Motion carried.
- M) Approve Volunteer Fire Department 2023-2024 Roster  
Schlosser motioned to approve the Volunteer Fire Department 2023-2024 Roster presented by Fire Chief Jeremy Bollinger for SDML-Workers’ Compensation coverage of 27 volunteer fire fighters. Koenig seconded. Motion carried.

## 5) NEW BUSINESS

### A) Community Support – Fuel for Swimming Lessons (Amanda Hermes)

The Board discussed Amanda Hermes's request for the City to provide fuel for the bus transporting youth to swimming lessons in Selby. Amanda reported the School is contributing a bus and they have a volunteer driver. Schlosser motioned to purchase the needed fuel for the bus transporting youth to swim lessons. Koenig seconded. Motion carried.

### B) Building Permit (Kendra Enright)

The Board reviewed and discussed a New Construction & Improvements – Building Permit submitted by Kendra Enright. Enright applied to construct an apron on her garage and to concrete the garage on her property located at 701 Main Street on Block 24 Lots 10-11-12. Schlosser motioned to approve the Building Permit contingent on compliance with ordinances involving encroachment. 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) Policy Review/Update – Cell Phone Reimbursement

The Board reviewed revisions to the City's Cell Phone Reimbursement personnel policy, which was adopted in 2013. Discussion occurred. Schlosser motioned personnel policy number PER-110, Cell Phone Reimbursement, be approved as revised. Koenig seconded. Motion carried.

### D) Resolution #2023-05-01: Sewer Rates

The Board reviewed Resolution #2023-05-01, a resolution to restructure sewer rates in consideration of the sewer debt surcharge going into effect on July 1. This resolution would decrease the total cost of sewer services to \$56.70 per month, including the \$36.70 sewer debt surcharge. The Board also reviewed the City's historical financial data showing the funds needed for normal operation and maintenance of its sewer infrastructure. This data shows an average of \$64,200 is needed annually. The Board also reviewed the SD Department of Agriculture and Natural Resources (SD-DANR) correspondence and funding compilation. SD-DANR's analysis of the City's financial data presented in the grant and loan applications determined the City could restructure its sewer rates and recommended \$61.70 total monthly cost to customers (annual revenue of \$75,600). Passage of the resolution provides an annual revenue of \$60,480 which is less than minimally needed. Much discussion occurred. Schlosser motioned Resolution #2023-05-01 not be approved and sewer rates remain unchanged. Hermes second. Motion carried. The Board agreed to reevaluate sewer rates after the sewer mains are inspected and repaired; the Board will have better information about operation and maintenance needs. The Board also recommitted to an annual review of rates.

### E) Ordinance #2023-05-01: Sewer Services (First Reading)

The Board reviewed and discussed Ordinance #2023-05-01, an ordinance revising the Municipal Code Set of Chapter 9.02 (Sewer System). This ordinance revises Section 9.0202 Sewer Systems; adds Section 9.0202 Rate Assessment; adds Section 9.0203 Definitions; and adds Section 9.0204 Sewer Taps. Much discussion occurred. The intent of the ordinance is to give the City the authority to assess sewer charges to all customers who receive sewer services. Koenig motioned to approve Ordinance #2023-05-01 on its first reading. LaCompte seconded. Motion carried by roll call vote (Koenig-yes; LaCompte-yes; Schlosser-yes; Hermes-yes). The required second reading and adoption is scheduled for the next regularly scheduled Board meeting.

F) Ordinance #2023-05-02: Water Services (First Reading)

The Board reviewed and discussed Ordinance #2023-05-02, an ordinance revising the Municipal Code Set of Chapter 9.01 (Water System). This ordinance revises Section 9.0101 Water Systems; adds Section 9.0102 Rate Assessment; and adds Section 9.0103 Definitions. Much discussion occurred. The intent of the ordinance is to give the City the authority to assess water charges to all customers who receive water services. Koenig motioned to approve Ordinance #2023-05-02 on its first reading. Schlosser seconded. Motion carried by roll call vote (Koenig-yes; Schlosser-yes; LaCompte-yes; Hermes-yes). The required second reading and adoption is scheduled for the next regularly scheduled Board meeting.

6) Department Reports:

A) Custodial (Char Boysen)

Char was not present. No report. Nordyke reported she contacted Goldade Construction about removing the divider wall but has not heard back. No additional information is available; she will continue inquiring with vendors and contractors.

B) Maintenance (Jerimiah Garon)

Jerimiah discussed the following matters with the Board.

- i) Streets: Jerimiah reported Roger has been blading streets and they are showing improvement. Discussion occurred about Main Street at the School. It was agreed it is in desperate need of repair. Best options include the application of hot mix asphalt and/or cold patch; moving or increasing the depth of the concrete valley to promote better draining; and inquiring about road construction in the nearby area with the hope a crew can repair that section of Main Street. Jerimiah agreed to research options.
- ii) Water: Jerimiah reported the results of recent hydrant flushing. He also reported the water system is operating effectively. The engineering firm has completed their study of sewer main placement and depth as needed for the water system infrastructure improvement project. A potential alternate location for the new

water tower was also discussed. After discussion, it was agreed this option is not viable at this time.

- iii) Sewer: Jerimiah reported he is measuring a few manhole covers that need replaced. He also reported A-1 Sewer and Drain is expected to begin jet-washing and televising the sewer mains soon.
- iv) Landfill: Jerimiah reported the landfill is operating effectively. Roger is doing regular maintenance at the site.
- v) Park: Jerimiah reported that the Park was recently mowed and Roger is regularly doing maintenance on the bathroom facilities. He also reported he needs to place the volunteer appreciation signs and do some spring maintenance at the park and playground.
- vi) Other Matters(s)
  - (1) Equipment: No discussion.
  - (2) Roger Hieb – Probationary Status: Roger and the Board discussed his first six-months of employment as the Maintenance Technician. The Board agreed he has satisfactorily completed his probationary period. The Board directed Roger to give his supervisor(s) a reasonable notice prior to being off duty; defined as a minimum of one (1) week.
  - (3) Fiber to the City Shop: Jerimiah reported the CRST Telephone Authority is boring new fiber optic line and requests the Board approve installation of internet at the City Shop. Discussion occurred. The Board agreed it was needed and directed Jerimiah to process an application for services.

C) Law Enforcement Activity Report (Sheriff Arpan):

The Board reviewed the Dewey County Sheriff's Office law enforcement report for the month of April. Sheriff Arpan reports the following services provided to Timber Lake: total records of 19. Activities involve community-oriented policing, death investigation, non-violent domestic, intoxicated person, vehicle lockout assistance, paper service, property, courtesy ride, security check, traffic complaints, trespassing, traffic stops, and welfare checks. Sheriff Arpan also reported there were no major issues with graduation weekend.

D) Finance (Karla Nordyke)

Karla discussed the following matters with the Board.

- i) Project(s) Funding & Next Steps – Update: Karla reported the environmental review comment period ended on April 6 and no public comments were heard. The Governor's Office is now publishing the environmental review and their comment period ends on about May 10. The Governor's Office on Economic Development (GOED) will release the Community Development Block Grant (CDBG) thereafter. The sewer loan was closed on April 14, 2023 and the office has received the bond

book. Phase I of the sewer project is expected to complete by the end of June. Karla also reported on the water system project; she mentioned not much is happening other than the engineering firm's completion of necessary survey work.

- ii) Training Request – SDML Human Resource & Finance Officer School: The Board reviewed and discussed the agenda for the SD Municipal League's annual Human Resource and Finance Officer training, scheduled June 6 to 9 in Pierre. Schlosser motioned Karla be approved to attend the training at a cost of lodging, per diem, and mileage. Koenig seconded. Motion carried.
- iii) Delinquent Accounts: Karla reported the following information regarding customer accounts.
  - (1) Late Payment Charges & Disconnect Warnings (31-60 days past due) – 0 account was assessed a \$10 late payment charge and 9 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) – 2 customers received a first notice. 1 customer received a second notice. 0 customer received a final notice.
  - (4) Financial Arrangements – 3 accounts have an approved financial arrangement. All are in compliance.
  - (5) Legal Action Status – 2 account remains referred to CRST Small Claims Court and 1 account remain referred to CRST Civil Claims Court. A May 4, 2023 Court hearing was scheduled but cancelled because the plaintiffs were not served.
  - (6) Delinquent Account Status (61+ days past due) -- Overall, the delinquent account balance total shows an increase from last month (\$356.65).
- iv) Uncollectable Debt and Board Write-Off: Karla reported 20 accounts with delinquent balances are in the category of unknown whereabouts and/or no known address. Of these accounts, 2 accounts are 3-years delinquent (\$786.25); 1 account is 4-years delinquent (\$102.60); 4 accounts are 5-years delinquent (\$2,175.55); and 13 accounts are greater than 6 years delinquent (\$4,087.54). Schlosser motioned to write-off uncollectable debt that is 4 years plus or a total of \$6,365.69 (18 accounts). Koenig seconded. Motion carried. It is noted the write off remains on the customer account and can be later collected.

7) Schedule Next Meeting:

The next regularly scheduled meeting is set for Monday, June 5, 2023 at 6:00 PM in the Finance Office.

8) Adjourn:

At 8:30 PM, Koenig motioned the meeting be adjourned. Hermes seconded. Motion carried.



APPROVED: Tom Hermes  
Tom Hermes, Board President

Karla Nordyke  
Karla Nordyke, City Finance Officer

Recorded: May 10, 2023

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