

OFFICIAL PROCEEDINGS OF THE
CITY OF WEBSTER, SOUTH DAKOTA

Council room, City Hall, Webster, South Dakota, September 5, 2023, at 6:30 p.m. a regular meeting of the City Council was held with Mayor Mike Grosek presiding. Council members present: Derek Sinner, Wayne Klungseth, Toni Brown, Josh Bartos Dale Miller and Stacy Mount. Staff: Nicole Kwasniewski. Reporter and Farmer: Kevin Winter. Also present: Jim Grimes and Lisa Knight.

MINUTES: Motion by Sinner, seconded by Bartos to approve the minutes from the August 7, 2023 meeting. Motion carried.

PAYROLL AND BILLS: Motion by Miller, seconded by Mount approving the payroll and bills as presented and authorize payment. Payroll (net) Admin. \$3544.34, Liquor \$7657.87, PT Y. Gravley \$1336.74, OT S. Bury \$187.42, T. Woodell \$148.12, Library \$3254.99, OT T. Ewalt \$71.03, Street \$8047.79, ST & OT J. Van Beek \$281.42, OT H. Fredericks \$197.50, D. Kirchmeier \$545.17, Police \$15,684.04, ST & OT C. Baumgarn \$1874.82, D. Collins \$911.88, L. Rokusek \$606.40, Animal Control S. Hargis \$248.33, Sewer \$5285.76, OT D. Valsvig \$267.82, O. Wyffels \$209.85, Water \$3311.60, ST & OT C. Goehring \$484.93, Cemetery \$3070.80, K. Bohn \$1163.39, D. Kurkowski \$1751.09, Airport R. Millim \$2103.70, Parks A. Grimes \$1948.26, Ballfield B. Lux \$703.04, M. Mount \$154.81, D. Pederson \$547.89, Golf Course \$1947.43, ST & OT R. Hagen \$485.55, A. Bartelt \$1015.69, L. Carlson \$969.51, D. Davidson \$1088.89, M. Dorsett \$380.32, D. Evenson \$944.12, B. Jacobson \$1783.91, J. Keller \$15.96, C. Norton \$420.26, Pool A. Baumgarn \$819.26, M. Block \$650.57, A. Case \$864.88, E. Case \$916.89, S. Hairgrove \$1284.22, R. Johnson \$852.87, E. Kaufman \$1009.29, A. Kuecker \$1018.78, M. Kuecker \$1056.97, T. Kuecker \$1007.86, C. Mount \$350.20, J. Rumpca \$424.32, C. Sannes \$458.56, E. Sannes \$1039.69, G. Sannes \$780.34, K. Sannes \$518.09, P. Snell \$479.50, J Spiering \$704.25.

Bills: SD State Treasurer \$10492.13-sales tax, 1st Interstate Bank \$2.00-service charge, USDA Rural Development \$8042.00-lagoon expansion, USDA Rural Development \$3449.00-loan payment fire hall, Postmaster \$275.53-bulk mailing, Dacotah Bank \$65.00-service charges, 3E Generator Shop \$656.80-service, A & B Business \$171.18-maintenance contract copier, AFLAC \$297.89-insurance, American Family Life Assurance \$731.41-insurnace, American News \$287.17-subscription, American Water Works Assoc. \$85.00-dues, A-ox Welding Supply \$20.05-supplies Aramark \$205.24-uniforms, Associated Supply Co. \$53.90-supplies, AT&T Mobility \$175.88-cell phones, Auditor-Petty Cash \$241.03-postage and supplies, Auto Value \$16.36-parts, B&B Contracting \$488611.60- pay request water/sewer improvements, Bigfoot Distributing \$156.00-merchandise, Bituminous Paving \$14339.50-hot mix and service, CapFirst Equipment Finance \$1373.00-lease payment, Cardmember Service \$1310.52-books, insurance, merchandise, Cask & Cork \$572.00-wine, City of Webster \$4483.53-employee prepayments & city water bills, Coca Cola \$787.50-resale, Code Enforcement Specialists \$951.00-service, Colonial Life \$243.52-insurance, Cortrust Bank \$6589.03-loan payments, Crystal Clean Laundry \$292.00-rugs,CT Sibson Gravel \$26500.00-crushed gravel, Dahme Construction \$282802.48-pay request for water/sewer

project, Dependable Sanitation \$683.67-garbage service, Don's Repair \$129.74-supplies, Ellwein Brothers \$57028.00-merchandise, Emergency Apparatus Maintenance \$4670.91-service, Emery-Pratt Company \$103.23-books, Ferguson Water Works \$1245.20-supplies, Galls \$291.02-clothing allowance, Hansmeier & Son \$225.00-lawn mix, Health Pool of SD \$21652.42-insurance, Helms & Associates \$57297.17-pay request water and sewer projects, Chad Hesla \$625.00-reimbursement, ITC \$960.94-phone service, JGE Inc \$259.08-parts, Johnson Brothers \$27923.06-merchandise, Johnson Lumber \$102.33-supplies, Just Ice \$680.75-ice, Lake Region Electric \$216.57-airport, cemetery lights, Leads Online \$1635.00-services, Lien Transportation \$5750.29-hot mix, Marko Canning \$45.00-merchandise, Terry McBroom \$2434.85-property, Mereen-Johnson \$11.52-parts, Midcontinent Communications \$346.60-internet and cable, Midwest Pest Control \$24.00-services, Mike's Jack & Jill \$2034.09-supplies, Milbank Winwater Works \$3605.59-parts, Minnesota Sodding Co. \$1893.84-service, MTI Distributing \$410.80-parts, NB Golf \$2699.66-lease, North Country Business Products \$349.00-firewall agreement, Northstar Mechanical Inc. \$206.98-labor, Northwestern Energy \$12519.96-service, Porter Distributing \$17804.25-merchandise, Prairie Berry Winery \$654.00-wine, RDO Equipment \$4671.51-parts and service, Reliance Standard \$71.24-insurance, Reporter and Farmer \$2068.34-supplies and publishing, Republic National Dist. \$7815.90-merchandise, Ringgenberg Electric \$894.19-service, Ryan's Candy \$536.34-supplies and resale, SD Golf Association \$125.00-dues, SD Public Health Lab \$15.00-water samples, SD Retirement System \$10465.72-insurance, SD Supplemental Retirement \$210.00-contributions, Sewer Eye Inspection Cameras \$3995.00-equipment, Snaza Implement \$1571.72-parts and service, Southern Glazer's \$9690.38-merchandise, Stan Houston Equipment \$750.00-rent, Team Laboratory Chemical \$3226.00-supplies, TLC Marine \$215.00-parts, Transource Truck & Equipment \$920.70-service, TruGreen \$6695.00-service, Twin Valley Tire \$295.90-parts and service, Valley Office Products \$102.40-supplies, WEB Water \$29940.40-water, Webster ACE \$713.36-supplies, Webster Carpet Cleaning \$580.00-service, Webster Golf Club \$2078.47-supplies, Webster City Liquor \$1698.62-resale, With The Wind Winery \$125.88-wine, Martha Erdman \$100.00-refund, Payroll Taxes-\$35779.03. Motion carried.

MONTHLY REPORTS: Motion by Miller, seconded by Brown to approve the Police, Finance, Liquor and Code Enforcement reports. Motion carried.

ORDINANCE #541: Motion by Sinner, seconded by Bartos to pass the second reading of Ordinance #541. Motion carried. The Ordinance reads as follows:

ORDINANCE #541
AN ORDINANCE AMENDING ORDINANCE #540
KNOWN AS THE WATER AND SEWER RATES ORDINANCE
PURSUANT TO SDCL 9-19-3

BE IT ORDAINED by the City Council of the City of Webster, South Dakota, that Ordinance #523, known as the water and sewer rates ordinance be revised as follows:

Domestic and Commercial Sewer Rates within the City shall be as follows;

Minimum of \$28.00 for the first 17,000 gallons, \$26.00 for each additional 34,000 gallons or fraction thereof. The gallons will be measured by the water gallons metered to or produced on the premises. There shall be a user fee of \$28.00 per month

for each residence, multiple family and commercial occupancy within the City of Webster. This shall include each apartment unit and every multiple community building.

Each user of the wastewater system shall pay a surcharge in the amount of \$9.20 per month, subject to adjustment from time to time by ordinance of the City Council as necessary to repay a \$2,156,000.00 loan from the USDA Rural Development over a period of forty (40) years at an interest rate of three and one-quarter (3.25) percent, in accordance with the loan agreement entered into by the City of Webster and the USDA Rural Development, the proceeds of which loan are to be used for the wastewater treatment facility expansion project. Such surcharge shall be segregated from all other funds of the City of Webster, are hereby pledged to secure such loan, and used for no purposes other than for the repayment thereof. The collection of the surcharge was established on August 1, 2010.

In addition to the other Wastewater charges, the City hereby establishes a surcharge of \$4.35 payable by each customer of its system who receives or benefits from the services of the project financed by the CW-04 loan with the borrower bond Series 2020. The collection of the surcharge shall start on March 1, 2021. The surcharge shall remain in effect until such time as the borrower bond is paid in full, it shall be collected at the same time as other charges of the system, and establish a surcharge account to segregate the income from other system income for book keeping purposes to be pledged to the South Dakota Conservancy District. The surcharge shall be reviewed from year to year and modified in order to provide the required 110 percent debt coverage.

In addition to the other charges, the City hereby establishes a surcharge of \$12.20 payable by each customer of its system who receives or benefits from the services of the project financed by the CW-05 loan with the borrower bond. The collection of the surcharge shall start on January 1, 2024. The surcharge shall remain in effect until such time as the borrower bond is paid in full, it shall be collected at the same time as other charges of the system, and establish a surcharge account to segregate the income from other system income for book keeping purposes to be pledged to the South Dakota Conservancy District. The surcharge shall be reviewed from year to year and modified in order to provide the required 110 percent debt coverage.

In addition to the other charges, the City hereby establishes a surcharge of \$1.30 payable by each customer of its system who receives or benefits from the services of the project financed by the CW-06 loan with the borrower bond. The collection of the surcharge shall start on January 1, 2024. The surcharge shall remain in effect until such time as the borrower bond is paid in full, it shall be collected at the same time as other charges of the system, and establish a surcharge account to segregate the income from other system income for book keeping purposes to be pledged to the South Dakota Conservancy District. The surcharge shall be reviewed from year to year and modified in order to provide the required 110 percent debt coverage.

Domestic and Commercial Water Rates within the City shall be as follows:

The minimum water rate within the City limits of Webster, South Dakota shall be thirteen dollars and 40 cents (\$13.40) per month, up to 1,000 gallons minimum per month. Water usage over the minimum of 1,000 gallons per month will be billed at the following rates:

1001 to 100,000 gallons \$7.50 per 1,000 gals
over 100,001 gallons \$7.25 per 1,000 gals

There shall be an additional Distribution and Maintenance (DM) fee of \$7.50 per month for each water user including each residence, multiple family and commercial occupancy within the City of Webster. This fee shall apply to all vacant structures or lots where city water distribution is available.

In addition to the other Water charges, the City hereby establishes a surcharge of \$12.45 payable by each customer of its system who receives or benefits from the services of the project financed by the DW-03 loan with the borrower bond Series 2020. The collection of the surcharge shall start on March 1, 2021. The surcharge shall remain in effect until such time as the borrower bond is paid in full, it shall be collected at the same time as other charges of the system, and establish a surcharge account to segregate the income from other system income for book keeping purposes to be pledged to the

South Dakota Conservancy District. The surcharge shall be reviewed from year to year and modified in order to provide the required 110 percent debt coverage.

In addition to the other charges, the City hereby establishes a surcharge of \$6.35 payable by each customer of its system who receives or benefits from the services of the project financed by the DW-04 loan with the borrower bond. The collection of the surcharge shall start on January 1, 2024. The surcharge shall remain in effect until such time as the borrower bond is paid in full, it shall be collected at the same time as other charges of the system, and establish a surcharge account to segregate the income from other system income for book keeping purposes to be pledged to the South Dakota Conservancy District. The surcharge shall be reviewed from year to year and modified in order to provide the required 110 percent debt coverage.

Any City utility user living outside the City limits of the City of Webster, South Dakota will pay an additional users fee of \$30.00 per month which will be billed with the monthly charges for water and sewer. This will be charged on each water hook-up and will be treated the same as the Distribution and Maintenance (DM) charge and will apply to all vacant structures or lots where City water distribution is available.

This Ordinance will become effective October 8, 2023

1st Reading: August 7, 2023

2nd Reading: September 5, 2023

Publish: September 18, 2023

Effective Date: October 8, 2023

Mike Grosek, Mayor

Nicole Kwasniewski, Finance Officer

ORDINANCE #542: The mayor presented the budget for 2024. On the appropriation side increases were noted to the following: attorney, finance office, insurance and bonds, city promotion, government buildings, police, fire, parks, golf course, library and ballfield. Decreases were noted in cemetery and walk/bike path. On the means and finance side increases were noted in property taxes, sales taxes, county wheel tax, parking fines, interest and golf course. Motion by Bartos, seconded by Sinner to pass the second reading of Ordinance #542. Motion carried.

The ordinance reads as follows:

Ordinance Printed Separately

TRAVEL REQUEST: Motion by Miller, seconded by Klungseth to approve travel for Nicole Kwasniewski to attend a NEFOG meeting in Aberdeen, September 21. Motion carried.

TEMPORARY LICENSE: Motion by Bartos, seconded by Mount to set a hearing on October 2, 2023 at 7:00 p.m. to consider a temporary liquor license for the Lake Region Shriner's Club for the Fireman's Fundraiser to be held on October 14, 2023 located at the Webster Armory. Motion carried.

AUDIT REPORT: Motion by Mount, seconded by Sinner to approve the 2022 audit of the City's financial statements prepared by Eide Bailly. Motion carried. Correspondence from SD Department of Legislative Audit accepting the audit report was acknowledged.

BUDGET SUPPLEMENT: Motion by Klungseth, seconded by Brown to supplement the airport budget \$8581.16 for land and hangar design grant closeout reimbursement. Motion carried.

TEMPORARY LICNESE: Motion by Sinner, seconded by Mount to approve a temporary liquor license for The New Frontier on November 4, 2023 at the Webster Armory for the Day County Veterans Banquet. Motion carried.

Webster Area Development members Kelly Hanson and Rainy Hanson came in to give the council an update. They expressed concern if a new big business came to town would there be enough housing and daycare options for everyone. They talked about their current project they are working on, the day care that is coming to town. One of the biggest expenses they have is the executive directors' position which is partly funded by the city with their donation.

7:05 p.m. This being the time and place for hearing of a variance for Eric Kracke, 110 East 3rd Avenue, to build a, shouse, a shop with living quarters, that is larger than the city ordinance allows in a residential area. Kracke is proposing to build a 64 ft. by 58 ft. shouse that he would be able to store his boats and trailers and have living quarters in it. Mayor Grosek pointed out that only one primary resident is allowed per property, so this property would need to be replatted. Since this is zoned residential the shouse would need to match the other area houses, which means no steel siding. Another concern is that the shouse would need to be hooked up to water and sewer and that would be at the owner's expense. One option that Kracke was told about was to have the property rezoned to commercial then he wouldn't have these restrictions. Motion by Brown, seconded by Sinner to deny the variance. Motion carried.

The following building permits were approved with a motion by Brown, seconded by Mount:

Building Permits:

Susan Waldner, 36 E 2nd Ave, deck, \$4000
Mike McClurg, 705 W 11th Ave, lean-to storage building, \$10,000
Sportsmans Cove, Doug Johnson, 30 W Hwy 12, deck, \$2000
Jordan Michlitsch, 512 W 3rd St, garage, \$30,000
Tyler Schmig, 909 Main St, shed, free

Motion carried.

This being the time and place for a hearing for a temporary malt beverage license for the Webster Dewangan Club for September 23, 2023 at the Webster Armory for Germanfest. Hearing no objections, motion by Miller to approve the license, seconded by Sinner. Motion carried.

TRAVEL REQUEST: Motion by Klungseth, seconded by Bartos to approve travel for Craig Baumgarn to attend a highway safety meeting in Aberdeen, September 13. Motion carried.

FIRE DEPARTMENT: The fire department is still having a hard time getting new recruits and that they were inquiring to a councilmember about a sign on bonus to help with the recruitment process. No action was taken at this time.

8:18 p.m. Motion by Miller, seconded by Klungseth to go into Executive Session as set forth in the SDCL 1-25-2.1 for the purpose of personnel matters. Council adjourned from Executive Session at 8:28 p.m. Motion carried.

OTHER BUSINESS: Council discussed that employee reviews will start in October. No further business, motion by Klungseth, seconded by Sinner to adjourn. Motion carried.

Mike Grosek, Mayor

Nicole Kwasniewski, Finance Officer

The City of Webster is an equal opportunity provider.

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