

City Council Proceedings

The Canistota City Council met Friday, August 18, 2023 at 4:00 PM in the Canistota City Hall Community Room. City Council Members present: Mayor Justin Engbarth, Donovan O'Donnell, Jamie Miller and Lori Forsman and Jessica Kerher. Others present: Finance Officer Kathy Townsend, Maintenance Supervisor, Darin Nugteren and Maintenance Assistant Brandon Dolejsi. Also attending: Jamie Feterl, Kaitlyn Killoran, Heather Broehm, Emily Peterson, Todd Weiland, Travis Langley, Nate Ligtenberg, Ryan Esser, Ryan Ortman, Bridget Ortman and Jeff Merrill.

Mayor Engbarth called the meeting to order at 4:00 PM

Mayor Engbarth led the Pledge of Allegiance.

The agenda was approved as presented on a motion by Miller, second by O'Donnell, all voted yes, the motion carried.

A conflict of interest was noted for Jessica Kerher.

Mayor Engbarth opened the Special meeting by welcoming everyone. Everyone will be able to speak with the Council to share their questions and concerns.

Langley with Crew Construction: asked for clarification with using the southern part of the Canistota Rubble Site rather than the north end of the rubble site. The cost of tree removal on the north end of the rubble site is cost prohibitive for both Ortman Doctors and Crew Construction. Langley spoke of the demolition process with some unavoidable damage to sidewalks and streets. His crew is committed to protecting both City property and also kiddos who will be walking to school near the demo site.

N. Ligtenberg confirmed, when asked by Forsman, asbestos has been remediated from the Ortman Hotel. Documentation of asbestos abatement is on file with the Finance Office.

R. Ortman spoke about the future of the Clinic, with adding more doctors and expanding, bringing more families to the community along with increasing tax revenues for the City of Canistota. The demolition of the Ortman Hotel will make way for a new Ortman Hotel in the same location.

K. Killoran commented on the trickledown effect the Ortman Clinic has with the City of Canistota economy, with new projects being funded with tax dollars, for example park improvements, school improvements, and street projects. Killoran and Feterl noted that all motels in Canistota are filled through November which shows how crucial the Ortman Clinic is to the economy of Canistota.

Concerns were voiced about unprofessional comments. Another concern is the doctors not attending City Council meetings earlier in this process to keep Council and Mayor informed on demo information and timeline.

Langley discussed the disposal fee for the use of the Rubble Site.

J. Miller asked about the time line for the completion of the proposed new Ortman Hotel. No estimated time line was available from the Ortman doctors.

Feterl asked what city expectations are for a buyer/investor of the Hotel. Current zoning ordinances and codes would have to be adhered to. The seller may have other stipulations.

Mayor Engbarth commented on costs the City has incurred along with asking for assurances of development of the demolished Hotel site. Current rubble site fees for passes to use the rubble site were briefly discussed.

Langley asked about peeling off the brick and recycling the brick for a commercial pass fee of \$100.00. That is not an option.

J. Merrill commented on a reasonable disposal fee for the Ortman Hotel. What would the disposal fee be used for by the city? Mayor Engbarth commented the money will go into the general fund.

J. Miller expressed concern of setting a precedent, what opportunities are given to one, must be given to all.

H. Broehm reiterated the tax revenue that is generated for Canistota by the Ortman Clinic.

J. Kerher spoke about beautifying the City of Canistota, and economic development impact, we are a community, here to help each other. Kerher acknowledged there has been miscommunication between the doctors and Council. Killoran asked the Council to not be in the way of progress.

Langley recommended to the Council a disposal fee to not exceed \$10,000.00. R. Ortman commented that a nominal disposal fee was mentioned to him.

O'Donnell reminded Langley and the doctors the City has saved them \$35,000.00 by allowing the relocation of burial of the demolished hotel to another area of the rubble site with not having to remove trees and also reducing miles needed to access the site.

R Ortman gave final comments about the doctors working to rebuild a hotel/motel, expanding the Clinic with more doctors on staff and bringing more families to Canistota

N. Ligtenberg commented on how we may have more in common than we don't on this issue. The doctors want to collaborate with City, they are not asking for financial assistance from the City, only a minimal disposal fee to dispose of demolition debris at the Rubble Site. He thanked the Council for their time, recognizing this Council and Mayor do not have an easy job.

Concerned citizens left the meeting at 5:17 PM

At 5:23 PM a motion to enter into executive session was made by J. Miller, seconded by O'Donnell, per SDCL 1-25-2-3, legal, all voted yes, the motion carried.

Nugteren, Dolejsi and Townsend left the meeting at 5:23PM.

Kerher left executive session at 6:25 PM

Mayor Engbarth declared executive session over at 7:05 PM with the Council convening in open session.

A motion was made by Forsman, second by O'Donnell to approve the Indemnification agreement between the Ortman Hotel, Inc and the City of Canistota, with the following fees: \$15,000.00 disposal fee along with a \$5,000 fee to reimburse the City of Canistota for expenses incurred, including attorney fees; roll call vote, O'Donnell-yes, Forsman-yes, Miller-yes; the motion was approved. Mayor Engbarth has the authority to execute the agreement on behalf of the City of Canistota.

Miller motioned at 7:18 PM to adjourn the Special Meeting, second by Forsman, all voted yes, the motion carried.

The next regular City Council meeting will be held on **Tuesday, September 5, 2023 at 6 PM**. Note the date change due to the Labor Day Holiday.

SEAL

Justin Lee Engbarth,
Mayor, City of CanistotaCity of Canistota

ATTEST:

Kathy J. Townsend,
Finance Officer, City of Canistota