

OFFICIAL PROCEEDINGS
CITY OF HERREID, SOUTH DAKOTA
SPECIAL MEETING
August 22, 2023

The Herreid City Council was called to order by Mayor Gary Weismantel on the above date at 6:30pm at City Hall. The following members were present: A. Dupper, L. Fuehrer, P. Weisbeck, B. Vander Vorst, and B. Rossow, with K. Rossow joining at 6:32pm. Also present were: K. Hall, Finance Officer; Brett Van Vugt, Maintenance; Orland Geigle, Prairie Pioneer; Mark Kroontje, City Attorney; Trevor Huffaker, ENG Tech; Brian Fuller, Inside & Out; and Justin Modin, Voyager Electric.

Moved by Dupper, seconded by Fuehrer to approve the agenda. All members voted aye; motion carried.

Public Comments: None

Old Business:

Pool – Upon the advice of City Attorney Kroontje, motion was made by Dupper and seconded by Fuehrer to go into executive session pursuant to SDCL 1-25-2 (4) at 6:35pm. Mayor Weismantel declared the council out of executive session at 7:33pm.

Pool Pay Request #8 – Upon coming out of executive session, the council moved to approve Pool Pay Request #8 for the amount of \$310,241.38. The motion was made by Dupper, seconded by Weisbeck. The motion carried by a 5-1 vote with Dupper, Weisbeck, B. Rossow, Vander Vorst, and Fuehrer all voting aye, and K. Rossow voting nay. Pay Request #8 will be the last remaining regular pay request for the pool improvement project. This leaves the final retainage in the amount of \$57,552.00.

New Business:

2023 Supplemental Appropriations Ordinance (2nd Reading) – Held the 2 reading of the 2023 Supplemental Appropriations Ordinance. The motion was made by K. Rossow, seconded by Vander Vorst to approve. The motion carried by a 6-0 vote with Dupper, Weisbeck, B. Rossow, Vander Vorst, and Fuehrer, and K. Rossow all voting aye.

HIFP – The motion was made by Dupper, seconded by B. Rossow to approve the HIFP (Housing Infrastructure Financing Program) Application Resolution 2023-03. All members voted aye; motion carried. This resolution approves application for the grant for the potential Elm St infrastructure project on the north end of town.

Water Rates - Continued discussion was held on the water rate prices and pricing structure. The water fund has struggled over the past few years, sometimes even going into the negative. That combined with the yearly WEB Water rate increases has led to the need to consider restructuring the city's water rate pricing system. After speaking to other neighboring cities and water system engineers, and then applying various options into real-life scenarios, the council agreed to best option would be to restructure the rate system. FO Hall will present an Ordinance at the September meeting that will include the changes needed to help recover the water fund and account for future WEB increases. The proposed change would be an increase on inside city-limit base charge from \$30 to \$32 and to move away from the tiered usage structure to a flat-rate usage structure which would be \$7 per 1000 gallons used beginning at the first gallon. The outside city-limit base charge would also increase \$2 and likewise move away from the tiered usage structure to a flat-rate usage structure.

2024 Budget – General discussion was held on the upcoming 2024 budget. FO Hall presented the options for setting up various Capital Outlay funds. These funds would be set up to help the city begin to set aside and earmark money each year for larger purchases of upcoming needs over the next few years. One key item discussed was that of a new pool liner. The council noted that those can be quite expensive and that it would be a good thing to begin setting money aside now for when the time comes to require a

replacement. It was also discussed that the city pickup truck is now more than 20 years old and will need to be replaced in the next few years. Everyone agreed that that too would be a good thing to begin planning for. The council directed FO Hall to begin the process of setting up the Capital Outlay funds so these can be included in the 2024 budget.

With no further business, the meeting was adjourned at 8:31pm

The next regularly scheduled Council meeting will be Wednesday, September 6th at 7:30pm

APPROVED:

Gary Weismantel, Mayor

ATTEST: _____
Keith Hall, Finance Officer

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**HIFP (Housing Infrastructure Financing Program) Application
Resolution No. 2023-03**

Whereas, City of Herreid wishes to apply for Housing Infrastructure Funding Program assistance from the South Dakota Housing Development Authority;

Whereas, City of Herreid has submitted preliminary plans for the public infrastructure for the Herreid HIFP Project to be located in the City of Herreid, South Dakota;

Whereas, the submitted plans have been determined to satisfy the requirements of the City of Herreid;

Whereas, the City of Herreid has the capacity to support the proposed public infrastructure project and has adequate water supply, water treatment facilities, and wastewater treatment facilities available for the housing to be supported by this public infrastructure project; and

Whereas, the proposed public infrastructure will be maintained by the City of Herreid on an ongoing and long-term basis;

Now, therefore, be it resolved that City of Herreid by way of this resolution hereby approves the proposed housing infrastructure project and acknowledges and agrees to the provisions set forth in this resolution.

I, Gary Weismantel, Mayor of the City of Herreid do hereby certify that the foregoing resolution was passed by the City of Herreid at a meeting thereof held on the 22nd day of August, 2023.

Ordinance No. 2023-02

Supplemental Appropriations Ordinance

BE IT ORDAINED, by the governing body of the City of Herreid, Campbell County, South Dakota, that the following sum is supplementally appropriated to meet the obligations of the municipality.

	<u>General Fund</u>
Source of Funding:	
Estimated Unobligated Cash Balance	<u>\$230,000.00</u>
Appropriations:	
101 General	
5110 Operating Transfers Out	
429 Other	\$25,000.00
101 General	
4111 Council	
411 Payroll	\$4,000.00
101 General	
4316 Street Lighting	
425 Repairs & Maintenance	\$3,000.00
426 Supplies & Materials	\$1,500.00
428 Utilities	\$1,500.00
101 General	
4310 Street Maintenance	
434 Machinery & Equipment	\$195,000.00
Total Appropriations	<u>\$230,000.00</u>

First Reading: August 8, 2023

Second Reading: August 22, 2023

Published: August 30, 2023

Effective: September 11, 2023

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