

OFFICIAL PROCEEDINGS
CITY OF HERREID, SOUTH DAKOTA
Monday, October 2, 2024

The Herreid City Council was called to order by council Mayor Gary Weismantel on the above date at 7:30pm at City Hall. The following members were present: Adrienne Dupper; Canaan Winthrop; Bob Rossow; and Kim Rossow with Brady Vander Vorst and Troy Fuehrer being absent. Also present were: Keith Hall, Finance Officer; Brett Van Vugt; Maintenance; Alan Allbee, Deputy Finance Officer; Orland Geigle, Prairie Pioneer and joining later was Lacy Fuhrer, Herreid Concrete.

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

Moved by K. Rossow, seconded by B. Rossow to approve the minutes from the Sept 4th meeting. All members present voted aye; motion carried.

Moved by Dupper, seconded by Winthrop to approve the normal September claims. All members voted aye; motion carried.
Moved by Dupper, seconded by Winthrop to approve one unusual September claim for \$60,781.25 to Maguire Iron Inc. for first annual installment payment for the water tower refurbish project. All members present voted aye; motion carried.

September 2024 Claims

24/7 Gas	Fuel	\$142.94
Agtegra	Fuel & Repairs	\$542.68
Campbell County Bank	Fees	\$21.90
Campbell County Sheriff	Services	\$3,112.80
Code Enforcement Specialist	Services	\$672.56
Curtis Rud Oil	LP Fuel	\$1,338.75
Dakota One Coating	Community Center Refurbish	\$8,000.00
DANR	Fees	\$60.00
Ferguson Waterworks	Supplies	\$2,273.78
Financial Agent	Payroll Taxes	\$3,811.39
Heartland Waste	Garbage Collection	\$5,670.00
Herreid Lumber	Supplies & Materials	\$29.61
Herreid Super Stop	Fuel	\$10.56
Christopher Huber	Repairs to Community Center	\$1,225.00
Huber & Son	Repairs & Maintenance	\$539.61
Kathy Bohle	Fitness Center Cleaning	\$100.00
Kroontje Law Offices	Legal Services	\$1,088.25
MDU	Utilities	\$2,870.65
Maggie Neeley	Lifeguard Cert Reimbursement	\$50.00
Mason Neeley	Lifeguard Cert Reimbursement	\$50.00
Matthew Neeley	Lifeguard Cert Reimbursement	\$50.00
Prairie Pioneer	Publishing	\$242.34
Premier Equipment	Parts	\$78.71
Quill Corp	Supplies	\$309.68
Runnings	Supplies	\$27.98
Schilling Excavating	Services	\$1,294.24
SD Dept of Health	Sampling Fees	\$45.00
SD Dept of Revenue	Sales Tax	\$520.36
SD Dept of Transportation	Welcome Sign	\$16.00
SD Municipal League	Registration Fees	\$250.00
SD One Call	Locates	\$13.44
SD Retirement	Retirement	\$1,158.98
Servall	Rugs	\$37.21
USDA	Loan Payments for Sewer Projects	\$7,727.00
Valley Telco	Utilities	\$386.18
Visa	Supplies	\$301.58

WEB Water	Bulk Water	\$9,870.64
Payroll		
Finance Dept		\$3,628.02
Streets Dept		\$2,047.75
Water Dept		\$1,498.11
Sewer Dept		\$1,498.11
Cemetery Dept		\$123.03
Parks Dept		\$483.37
Pool		\$7,678.80

Public Comments: Held discussion about the stray cats problem and a possible plan being worked on to deal with the issue. Also, heard about a perspective buyer of Rieker's Electric and the potential request for hooking up water/sewer to part of the property. Also, heard about water pooling up in one of the alleys in town.

OLD BUSINESS:

- **Pool** – Heard that city attorney Mark Kroontje has been in negotiations on the city's behalf with the general contract of the project. The negotiations are to determine a final payment to finalize the project. Also learned that Associated Pools will be coming to assist and train on the winterization of the new plumbing/piping system.
- **Additional Emergency Siren Update** – Heard from Layne Perman from the Sheriff's Office on potential grants to help fund a new siren and possibly upgrade the existing siren so that they can be activated simultaneously. The newer sirens available allow for the controller to activate the sirens by the push of a button on a handheld device. Perman noted that these have been successful in other surrounding communities. Learned that the cost of a new siren could vary substantially depending on the system and features. Perman told the council that he will help by actively researching grant opportunities and by talking with the company that makes the sirens. He will update the council as he learns new information concerning costs and grants.
- **Water Tower Update** – Learned that the wind has played a big factor in completion of the project, but that the crew was hopeful to finish within the next week or two.
- **Code Enforcement Update** – Heard that FO Hall had not received the latest update list from code enforcement but that he did learn that there had been many that have complied with previous notices.
- **Lead Free SD Project Update** – Heard that several residents have complied with the state & federal mandate to test their water pipes. Also heard that Hall will be submitting the final results to the state by mid-October as required. Hall noted that he had been informed that the state and feds will continue moving forward with the project in the months ahead until they know the results from every resident, so Herreid residents should expect more information on the project in the weeks to come.
- **2025 Appropriation Budget Ordinance (2nd Reading)** – Held the second reading of the 2025 Appropriation Budget Ordinance. A motion was made by K. Rossow and seconded by B. Rossow to accept the ordinance as read. All members present voted aye; motion carried.

NEW BUSINESS:

- **2024-02 Opposition to IM28 Resolution** – Mayor Weismantel read the 2024-02 Opposition to IM28 Resolution which states that the City of Herreid is opposed to IM28 which would repeal sales tax on "items sold for human consumption." The resolution points out the negative effects that the passage of IM28 would have on the city's annual revenue and that the city is officially in opposition to it. The IM28 will be on the November general election ballot. Following the reading, a motion was made by Dupper, seconded by K. Rossow to accept the resolution as read. All members present voted aye; motion carried.
- **2024-03 Contingency Transfer Resolution** – Mayor Weismantel read the 2024-03 Contingency Transfer Resolution which would allow the \$20,000 appropriation to be transferred to the following departments: \$7,000 to Sanitation, \$7,000 to Swimming Pool, and \$6,000 to Other-General Government. Moved by K. Rossow, seconded by B. Rossow to approve the resolution as read. All members present voted aye; motion carried.
- **Funds Transfer** – Following a brief discussion, the motion was made by K. Rossow, seconded by Winthrop to transfer \$50,000.00 from the General fund to the Water fund to cover the first installment payment on the water tower refurbish project. All members present voted aye; motion carried.
- **Safety Deposit Box Signature Card Change** – Moved by K. Rossow, seconded by Winthrop to remove former Finance Officer, Melinda Neeley from the city's safety deposit box signature card at Campbell Co. Bank and place current Finance Officer, Keith Hall on the card. That would leave Mayor Weismantel, council members Dupper and K. Rossow on the card as the other signers. All members present voted aye; motion carried.
- **Main St Lights** – Discussion was held on different options for dealing with reoccurring outages of the lights on Main Street. Several options were discussed and it was agreed to continue conversation on the topic as new information is gathered.
- **Parking Issues** – Discussion was briefly held on a continuing parking issue at one particular location in town. The council agreed to have city attorney, Kroontje send a violation letter to the resident.
- **CD Renewals** – Heard that two of the city's 12-month CDs are set to mature in November; one for \$350,000 and the other for \$300,000. Following discussion, the motion was made by K. Rossow, seconded by B. Rossow to renew at a 5-month option with a higher interest rate. All members present voted aye; motion carried.
- **Desk** – Moved by K. Rossow, seconded by B. Rossow to approve the purchase of a new desk in the finance office to replace the small older desk. Learned that the cost should be under \$400. All members present voted aye; motion carried.
- **Rubble Site Quote** – Heard that RTS Shearing from Jamestown, ND is in the area crushing rock. Also learned that they have given the city a quote for the cost to crush the concrete pile at the rubble site. Crushing the pile would reduce the size of the pile significantly and provide the city with years worth of gravel to use throughout the city and open up more room at the rubble site for additional pits. The quote included crushing the estimated 18,000 tons of concrete. At a rate of \$10.50 per ton, the estimated

total would around \$189,000 for the project. During discussions, heard that if accepted, there were the options to sell the gravel or to use it for city projects. Heard from Lacy Fuehrer of Herreid Concrete that selling the crushed gravel would put the city in direct conflict with Herreid Concrete. After further discussion, it was agreed not to sell the crushed gravel to avoid any conflict. Also heard that there were a couple options to pay for the project. The quote included the option to pay 50% upon project completion and the remaining 50% in the spring of 2025. It was proposed that the city close out one of the CDs set to mature, and use the funds to pay for the project. Following much discussion, the motion was made by Winthrop, seconded by B. Rossow to accept the quote and move forward with the project. All members present voted aye; motion carried. Following that motion, another motion was made by K. Rossow, seconded by B. Rossow to rescind the earlier vote on the CD renewals. All members present voted aye; motion carried. Following that motion, the motion was made by B. Rossow, seconded by K. Rossow to renew the \$350,000 CD the same as in the previous CD renewal vote at 5 months, but to only renew \$200,000 of the \$300,000 CD for 5 months and use the remaining \$100,000 to pay the initial 50% of the rock crushing project. All members present voted aye; motion carried.

Maintenance Report:

None.

Finance Report:

Reviewed financial reports and heard an update on delinquent utility accounts from Hall.

Heard cybersecurity update. Learned that the cybersecurity assessment project was roughly halfway complete and that FO Hall and Deputy FO Allbee have been and will continue addressing several issues that the assessment reveals. One of the matters being addressed is developing an Incident Response Plan (IRP) in the case of a cyber-attack. The plan outlines what action steps will take place and who fills what role should a cyber-attack ever occur. Hall and Allbee explained that developing an IRP is not only a critical thing to have in place, but it's also required when applying for grant funds for security upgrades in the future. Also head that Hall will be gone the week of Oct. 7-11 to the SDML Annual Conference, but that Allbee will be available to cover the office for a portion of those days.

The next regularly scheduled Council meeting is scheduled for Monday, November 4th at 7:30pm.

With no further business, the meeting was adjourned at 9:15pm.

APPROVED: _____

Gary Weismantel, Mayor

ATTEST: _____

Keith Hall, Finance Officer

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2025 Appropriation Budget Ordinance
City of Herreid

Section I: Be it ordained by the City of Herreid, South Dakota, that the following sums be appropriated to meet obligations of the municipality:

GENERAL GOVERNMENT		
411.1	COUNCIL	\$20,000
411.3	ORDINANCES	\$1,750
411.5	CONTINGENCY	\$35,000
412	MAYOR	\$2,150
413	ELECTIONS	\$1,300
414.1	ATTORNEY	\$2,700
414.2	FINANCE OFFICE	\$80,500
419	GENERAL GOVERNMENT	\$97,000
435	AIRPORT	\$800
437	CEMETERY	\$11,800
TOTAL GENERAL GOVERNMENT		<u>\$253,000</u>
PUBLIC SAFETY		
421	POLICE	\$42,000
422	FIRE DEPARTMENT	\$76,100
423	CODE ENFORCEMENT	\$5,000
TOTAL PUBLIC SAFETY		<u>\$123,100</u>
HIGHWAYS & STREETS		
431	HIGHWAYS, STREETS & SNOW REMOVAL	\$120,100
431.6	STREET LIGHTING	\$20,500
TOTAL HIGHWAYS & STREETS		<u>\$140,600</u>
SOLID WASTE/HEALTH CARE		
432.3	SOLID WASTE	\$74,000
441	CLINIC	\$500
TOTAL SOLID WASTE/HEALTH CARE		<u>\$74,500</u>
CULTURE & RECREATION		
451.1	COMMUNITY CENTER	\$14,800
451.2	SWIMMING POOL	\$48,000
451.3	SUMMER REC	\$3,000
451.4	SENIOR CITIZENS	\$500
452	PARKS	\$18,300
455	LIBRARY	\$250
455.1	FITNESS CENTER	\$4,300
TOTAL CULTURE & RECREATION		<u>\$89,150</u>
ECONOMIC DEVELOPMENT		
465	ECONOMIC DEVELOPMENT	\$20,000
TOTAL ECONOMIC DEVELOPMENT		<u>\$20,000</u>
OTHER FINANCING USES		
511	OPERATING TRANSFER OUT	\$70,000
TOTAL OTHER FINANCING USES		<u>\$70,000</u>
TOTAL 2024 APPROPRIATIONS		<u><u>\$770,350</u></u>
CAPITAL OUTLAY ACCUMULATIONS		
RESOLUTION #2023-04 (SDCL 9-21-31)		\$23,000
TOTAL APPROPRIATIONS & ACCUMULATIONS		<u>\$793,350</u>

Section II: The following is a summary by fund of the appropriated amounts and means of supporting them:

Estimated Unobligated Cash Balance	\$354,486
Sales Tax	\$270,000
Unassigned fund balance-transfer in	\$0
Other Revenue	\$0
Total Tax Levy	<u>\$145,864</u>
TOTAL MEANS OF FINANCE	<u><u>\$770,350</u></u>

SELF SUPPORTING FUNDS:

	WATER FUND	SEWER FUND
Estimated Revenue:	\$248,150	\$184,300
Less Appropriations	\$248,150	\$184,300

The Finance Officer is directed to certify the following dollar amount of tax levies requested in this Ordinance to the County Auditor of Campbell County, South Dakota
For General Purposes: \$145,864.00

Dated this 2nd day of October, 2024

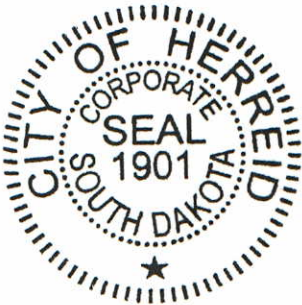
Gary Wasmondt
Mayor

ATTEST:

Kathleen
Finance Officer

Passed First Reading: September 4, 2024
Passed Second Reading: October 2, 2024
Approved & Adopted: October 2, 2024
Published: October 9, 2024
Effective: January 1, 2025

(SEAL)



RESOLUTION 2024-02
CITY OF HERREID, SOUTH DAKOTA

WHEREAS Initiated Measure 28 was certified for the November 2024 General Election Ballot by the South Dakota Secretary of State;

WHEREAS Initiated Measure 28, if passed, would remove state, municipal and tribal taxes on all items sold for human consumption except alcohol and prepared food;

WHEREAS "human consumption" is undefined in South Dakota Codified Law or the South Dakota Constitution. Black's Law Dictionary defines "consumption" as "the act of destroying a thing by using it; the use of a thing in a way that exhausts it.";

WHEREAS South Dakota Codified Law 34-45-1(7) defines tobacco products as "any item made of tobacco intended for human consumption, including cigarettes, cigars, pipe tobacco, and smokeless tobacco, and vapor products as defined in § 34-46-20.";

WHEREAS South Dakota Codified Law 10-52-2 allows incorporated municipalities to impose a tax on the sale, use, storage and consumption of items that conform in all respects to the state tax on such items up to two percent;

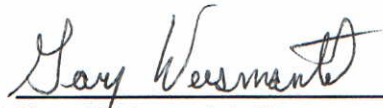
WHEREAS the Attorney General's explanation of the measure states legislative or judicial clarification would be needed if the measure passes;

WHEREAS The City of Herreid levies a two-percent sales tax and collected \$312,736 in the 2023 fiscal year and \$209,515.47 year-to-date in the 2024 fiscal year;

WHEREAS The City of Herreid estimates annual lost revenue of \$74,931.00 unless Initiated Measure 28 is rejected by voters in South Dakota.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of Herreid, that Initiated Measure 28 would negatively impact the municipal budget in our community.

Dated this 2nd day of October 2024



Gary Weismantel, Mayor

ATTEST:



Keith Hall, Finance Officer



Resolution No. 2024-03
Transfer From Contingency Fund

WHEREAS, insufficient appropriation was made in the 2024 adopted budget for the following departments to discharge just obligations of said appropriations; and

WHEREAS SDCL 9-21-6.1 provides that transfers be made by resolution of the board from the contingency appropriations established pursuant to SDCL 9-21-6.1 to other appropriations;

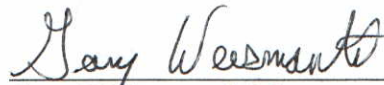
THEREFORE BE IT RESOLVED that the \$20,000.00 appropriation be transferred from the contingency budget to the following department budgets:

101-4323-422 Sanitation – Services & Fees	\$7,000.00
101-4512-436 Swimming Pool – Pool Project	\$7,000.00
101-4190-421 Other-Gener Gov - Insurance	\$6,000.00

This transfer is for normal expenses incurred.

Dated this 2nd day of October, 2024.

APPROVED:



Gary Weismantel, Mayor

ATTEST:



Keith Hall, Finance Officer

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