

CITY OF LAKE NORDEN

September 8, 2020

Council met in regular session at 7:00 PM. Council President Larson presiding. Members present: Janet Andrews, Brian Jacobsen, Cameron, Larson, John Layman, Dorene Lemme and Kim St. John. Absent: Jason Aho.

City employees present: George Gibbons, Delores Kangas, Dan Koistinen and Roy Hauschildt. Absent: Tony Aas.

Others present: Roddy Bludorn, Debra Foley, Anthony Hummel, Brady Jager, Ciara Jager, Carter Johnson, Greg Jorgensen - Banner Associates, Gordon Kangas, Kathy Kaski, Tommie Swafford, Bertha Waldner and Taryn Wendling.

Motion made by St. John and seconded by Layman to approve the agenda, as presented. All voted aye.

Motion made by Andrews and seconded by Lemme to approve the previous minutes. All voted aye.

Motion made by Jacobsen and seconded by St. John to approve the following financial reports: Fund Cash Balance; Budget Expenditure Totals, Fiscal Revenue (Detail) and General Ledger Activity List, as presented. All voted aye.

Motion made by Andrews and seconded by Jacobsen to approve the monthly reconciliation report, as presented. All voted aye.

Motion made by Layman and seconded by Lemme to approve the itemized credit card payments, as follows:

AAS***6494	APL*ITUNES	1.05	CLOUD BACKUP
KANGAS***2725	CENTRAL DOOR	23.97	SUPPLIES

All Voted Aye. Thus, motion carried.

The finance officer submitted the following bills with verified vouchers for payment:

GEORGE GIBBONS	2167.37	SALARY/LESS DEDUCTIONS
KYLE NAMKEN	782.34	SALARY/LESS DEDUCTIONS
JANET ANDREWS	461.75	SALARY/LESS DEDUCTIONS
TONY AAS	2623.58	SALARY/LESS DEDUCTIONS
BRIAN JACOBSEN	461.75	SALARY/LESS DEDUCTIONS
DAN L. KOISTINEN	3165.77	SALARY/LESS DEDUCTIONS
STACY HAKEMAN	291.20	SALARY/LESS DEDUCTIONS
JASON AHO	808.06	SALARY/LESS DEDUCTIONS
JOHN LAYMAN	369.40	SALARY/LESS DEDUCTIONS
CAMERON LARSON	369.40	SALARY/LESS DEDUCTIONS
ROY HAUSCHILD	2954.05	SALARY/LESS DEDUCTIONS
DELORES KANGAS	2928.01	SALARY/LESS DEDUCTIONS
DORENE LEMME	461.75	SALARY/LESS DEDUCTIONS
KIRBY ANTOEN	1510.48	SALARY/LESS DEDUCTIONS
AUSTIN HAKEMAN	595.80	SALARY/LESS DEDUCTIONS
KIM ST. JOHN	369.40	SALARY/LESS DEDUCTIONS
BADGER OIL COMPANY	20.00	INV. #04846/SUPPLIES
BANNER ASSOCIATES	10568.90	INV. #33328;34/SERVICES
JOLENE BELD	200.00	LNCC DEPOSTI REFUND
BES TOWING	87.60	INV. #5118 W-24487/SERVICES
CNA SURETY DIRECT BILL	525.00	BOND #69414119/TREASURES BOND
COLONIAL RESEARCH CHEMICAL COR	1567.84	INV. 145397;844;884/SUPPLIES
CONNECTING POINT COMPUTER	35.00	INV. #412730/SERVICES
COOK'S WASTEPAPER & RECYCLING	2530.32	MONTHLY SERVICE(184) DUMPSTER
CORE & MAIN LP	234.31	INV. #M885861/SUPPLIES

COUNTRY STORE	439.67	ACCOUNT #101569
DAKOTA PORTABLE TOILETS	125.00	INV. #10781/SERVICES
DAKOTA PUMP & CONTROL INC.	290.82	INV. #26325/SERVICES
DAKOTA PUMP INC	3614.80	INV. #13576/REPAIRS/SERVICES
DEPARTMENT OF HEALTH	364.00	INV. #10595233/TESTING
EFRAIMSON ELECTRIC INC.	275.51	INV. #12397/SERVICES
MINNA ERICKSON	200.00	LNCC DEPOSIT REFUND
FIRST DISTRICT	10000.00	ADMINISTRATION SERVICES
GEOTEK ENGINEERING & TESTING	2080.00	INV. #20B5010-IN/SERVICES
GLACIAL LAKES & PRAIRIES TOUR	1825.00	ANNUAL FEES
GOPHER SIGN COMPANY	541.96	INV. #108148/SUPPLIES
GREAT AMERICAN FINICIAL SVCS.	110.76	INV. #27701628/LEASE FEES
HALME INC	31982.94	PAY REQUEST #7 FINAL
HAMLIN COUNTY SHERIFF'S OFFICE	172.50	CONTRACTED SHERIFF SERVICES
HAMLIN COUNTY PUBLISHING	623.15	PUBLICATIONS
HAWKINS, INC	2922.33	INV. #4770847;7305/SUPPLIES
HD ELECTRIC COOPERATIVE, INC.	1535.86	8346/35107/35853/SERVICES
HENDRICKSON HEATING & COOLING	2705.11	INV. #4635/REPAIRS/SERVICES
INNOVATIVE OFFICE SOLUTIONS	169.00	INV. #80026-1/SUPPLIES
ITC	654.51	ACCOUNT 00040683-9
JUTTING'S GROCERY	37.76	SUPPLIES
KAISER WELL DRILLING, INC.	7295.93	INV. #1420/SERVICES
DELORES KANGAS	44.84	REIMBURSEMENT
KDM EQUIPMENT, INC.	769.57	INV. #8830;63/8904/SERVICES
DUSTIN KOPMAN	100.00	WATER DEPOSIT REFUND
LN DEVELOPMENT CORPORATION	1000.00	MONTHLY DONATION
MEIERHENRY SARGENT LLP	13450.00	INV. 42276/WW BOND SERVICES
MIDWEST ALARM COMPANY, INC.	84.75	INV. #257388/SERVICES
NITTEBERG CONSTRUCTION CO.	4431.90	INV. 7062/SUPPLIES
NORDEN MOTOR COMPANY	566.30	SUPPLIES
NORTHERN PLAINS CONTRACTING	12982.47	PAY REQUEST #12 FINAL
NORTHWESTERN ENERGY	292.15	2540879;703/2747404/2948926
BOLY O BU	100.00	WATER DEPOSIT REFUND
NOLA OSBORNE	70.00	LNCC JANITOR ASSIST.
OFFICE PEEPS, INCORPORATED	87.37	907936;816/909942/SUPPLIES
OTTERTAIL POWER COMPANY	6937.46	14049136/MEMORIAL PARK
PRODUCTIVITY PLUS ACCT(TITAN)	136.05	ACCT. #5043935502312528
SANFORD	236.00	ACCOUNT 30004227
SD ASSOCIATION OF RURAL WATER	370.00	ANNUAL DUES
SD MUNICIPALE LEAGUE	90.65	INV. #6239/SERVICES
KIM ST. JOHN	200.00	REIMBURSEMENT
STAR LAUNDRY & DRY CLEANERS	206.74	INV. #122055;56/123252;253
MARK STEVENSON	231.84	MILEAGE REIMBURSEMENT
SHANNON SYMENS	55.02	MILEAGE REIMBURSEMENT
TEAM LABORATORY CHEMICAL, LLC.	4961.00	INV.0022396;425/SUPPLIES
TOPKOTE INC.	22360.34	INV. #6649/CHIP SEAL
TOWN OF HAYTI	1213.31	REIMBURSEMENT
US POSTAL SERVICE	70.00	UTILITY POSTAGE
WATCHGUARD VIDEO	4870.00	4EXLINV0007326
WATERTOWN PUBLIC OPINION	90.99	ACCOUNT #28271
KATHERINE WENDLING	200.00	LNCC DEPOSIT REFUND
HEALTH POOL OF SD	917.12	EMPLOYEE PREMIUM
SOUTH DAKOTA RETIREMENT	2238.52	EMPLOYER/EMPLOYEE 6%
DENTAL NETWORK OF AMERICA	271.50	EMPLOYEE PREMIUM
SD SUPPLEMENTAL RETIREMENT	175.00	EMPLOYEE CONTRIBUTIONS
EFTPS	5530.05	DEDUCTIONS DEPOSIT
SD DEPARTMENT OF REVENUE	160.53	SALES TAX PAYMENT
FIRST NET	111.76	SERVICES
REVTRAK CHARGE	74.05	SERVICE CHARGE
REED	2712.02	AUTO-LOAN PAYMENT

RURAL DEVELOPMENT	3597.00	AUTO-LOAN #91-01 PAYMENT
RURAL DEVELOPMENT	1678.70	AUTO-LOAN #91-03 PAYMENT
RURAL DEVELOPMENT	1939.00	AUTO-LOAN #97-06 PAYMENT
LOAN #461256-01	10,893.45	AUTO-LOAN PAYMENT
LOAN DW-01	19,301.21	AUTO INTEREST PAYMENT

Motion made by St. John and seconded by Layman to issue warrants and pay the bills. All voted aye.

Council President Larson declared the Council convenes acting as a Planning and Zoning Commission and Zoning Board of Adjustments.

Roddy Bludorn, Debra Foley, Anthony Hummel, Carter Johnson, Gordon Kangas, Kathy Kaski, Tommie Swafford, Bertha Waldner and Taryn Wendling appeared for in full or part for the following scheduled Public Hearings:

Permit #16/09/2020 by Bertha Waldner and/or Vertex Construction for a conditional use permit. The request, if granted, would permit the applicant to use the following property Lot 11A of the Original Plat located in the City of Lake Norden, Hamlin County, South Dakota which street address 408 Harvest Street, Lake Norden, SD in the following manner: Construction of a 34'6" by 25'-1 3/8" by 27'- 95/16" garage addition south of the existing structure without a front yard setback which would meet the placement of the existing structure. The applicant is asking for a 25-foot front yard variance. The ordinance requires a minimum 25-foot front yard setback.

Permit #17/09/2020 by Roddy Bludorn for a variance request. The request, if granted, would permit the applicant to use the following property Lot 7, Block 1 of the Twilight Addition of the City of Lake Norden, Hamlin County, South Dakota which street address is 710 Twilight Avenue, Lake Norden, SD in the following manner: The applicant is requesting 36 foot variance to yard width for construction of a two-family dwelling. The ordinance under Table 2.06.06.1: requires a minimum yard width of 140 feet. The variance, if granted, would allow the applicant to construct a two-family dwelling on the above-described property.

Permit #18/09/2020 by Debra & Thomas Foley and/or Tessa Foley for a variance request. The request, if granted, would permit the applicant to use the following property Lot 2, Block 1 of the Twilight Addition of the City of Lake Norden, Hamlin County, South Dakota which street address is 717 Twilight Avenue, Lake Norden, SD in the following manner: The applicant is requesting a 472 variance to lot area and a 44 variance to yard width for construction of a two-family dwelling. The ordinance under Table 2.06.06.1: requires 6000 square feet per unit and a minimum yard width of 140 feet. The variance, if granted, would allow the applicant to construct a two-family dwelling on the above-described property.

Permit #19/09/2020 by Kathy & Rob Kaski for a variance request. The request, if granted, would permit the applicant to use the following property Lot 11, Block 1 of the Twilight Addition of the City of Lake Norden, Hamlin County, South Dakota which street address is 740 Twilight Avenue, Lake Norden, SD in the following manner: The applicant is requesting a 534.7344 variance to lot area and a 44.48 variance to yard width for construction of a two-family dwelling. The ordinance under Table 2.06.06.1: requires 6000 square feet per unit and a minimum yard width of 140 feet. The variance, if granted, would allow the applicant to construct a two-family dwelling on the above-described property.

Motion made by Jacobsen and seconded by Layman to approve the above-stated Conditional Use/Variance request #16/09//2020. All voted aye.

Motion made by Layman and seconded by Lemme to not approve the above-stated Conditional Use/Variance request #17/09//2020. All voted aye.

Applicant withdrew her request for the above-stated Conditional Use/Variance request #18/09//2020.

Applicant withdrew her request for the above-stated Conditional Use/Variance request #19/09//2020.

Motion made by Lemme and seconded by Jacobsen to adjourn as a Planning and Zoning Commission and Zoning Board of Adjustments at 7:35 PM. All voted aye.

Council President Larson declared the Council reconvenes.

Brady and Ciara Jager expressed their desire to renew the lease agreement for the property located at 507 Main Avenue. Motion made by Lemme and seconded by Andrews to renew lease with no changes. All voted aye.

Jager requested a payment option for the reimbursement to the City for the lettering on the new canopy at their location. Council agreed to payments, if the balance due, is paid by June 1. 2021.

Council member St. John introduced the following resolution and moved that the same is passed:

RESOLUTION #13/09/2020

A RESOLUTION APPROVING AN AMENDMENT TO ORDINANCE #357 SECTION VI - RATES AND CHARGES FOR SERVICES OF THE WASTEWATER SYSTEM

WHEREAS,

In addition to other sewer charges, the City of Lake Norden hereby establishes a surcharge of \$10.70 payable by each customer of its system who receives or benefits from the services of the project financed by the CW-02 loan with the borrower bond. The collection of the surcharge shall start on January 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 times 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.

THEREFORE, THIS RESOLUTION IS PASSED AND ADOPTED THIS 8TH DAY OF SEPTEMBER, 2020.

Cameron Larson, Council President
City of Lake Norden, South Dakota

ATTEST:

Delores Kangas, Finance Officer
City of Lake Norden, South Dakota

Council member Jacobsen duly seconded the foregoing resolution. All voted aye. Thus, resolution is passed and adopted.

Motion made by St. John and seconded by Layman to authorize the advertisement of bids for the Main Lift Station Improvements Project. All voted aye.

Motion made by Lemme and seconded by Andrews to authorize Mayor Aho to sign the State Water Plan Application for the proposed Water Storage Project. All voted aye.

Dan Koistinen presented a quote from Core & Main for a valve exerciser for the Water and Wastewater Systems. Motion made by Layman and seconded by St. John to approve the quote and authorize the purchase of the valve exerciser, as presented. All voted aye.

Dan Koistinen presented quotes from Dakota Pump and Efraimson Electric Inc. for purchase and installation of Well Field Level Monitors. Motion made by Lemme and seconded by Andrews to approve the quotes and authorize the purchase of a level monitor and installation fees, as presented. All voted aye.

Council member Jacobsen introduced the following resolution and moved that the same is passed:

Resolution # 14/09/2020
A RESOLUTION ENACTING AND INTERNAL CONTROL POLICY

WHEREAS, The City of Lake Norden wishes to implement an Internal Control Policy; and

WHEREAS, The Internal Control Policy will be utilized as a guide for the City's finances and controls as deemed appropriate by the City of Lake Norden.

NOW, THEREFORE, BE IT RESOLVED that the Lake Norden City Council hereby adopts, supports and will facilitate an Internal Controls Policy for the City, including the following:

1. Classification of City Officials and Employees:
 - a. Finance Officer
 - b. City Maintenance which includes Water, Sewer, Street and Landfill
 - c. Police Chief and Police Officer
2. Internal Controls: Due to the size of the municipality, the separation of duties to meet the guidelines of the OMB Circular A-133 are not met.
3. The following are the internal controls used by the City of Lake Norden:
 - a. The Finance Officer handles the incoming revenue through the Utility Billing which include water, sewer and garage fees. The revenue is deposited into the City's official depository by the Finance Officer who also enters receipt information and reviews the utility accounts monthly. Approximately 37% of the active utility accounts have direct deposits of their payments, which reduces money handled by the Finance Officer. The majority of the additional revenue such as: sales tax; county taxes; grant; and loan dollars are deposited directly into the City's bank account electronically and are receipted by the Finance Officer.
 - b. Bank statements are reconciled on a monthly basis by the Finance Officer and a copy of the statements recap pages and reconciliation report are reviewed by the Council at the monthly meeting.
 - c. The Finance Officer prepares the payroll for payment on the 1st of each month (If the 1st falls on a holiday or a weekend the payroll date is moved to the first working banking date). Payroll is disbursed electronically except for employees that have chosen not to receive

payment electronically. Employees that are not paid electronically are paid with a written check.

- i. Monthly, the Mayor, Council President or Department Head reviews payroll timecards.
 - ii. Monthly, the Mayor or council President reviews and signs all payroll vouchers.
 - iii. Monthly, the Mayor or Council President reviews and signs all copies of payroll checks.
- d. Vendor checks are prepared monthly by the Finance Officer and signed by both the Mayor and/or Council President and Finance Officer.
- i. A claims listing of the checks is reviewed and approved by the City Council with each voucher reviewed and signed by a member of the Council.
 - ii. The claims listing is contained within the City Council minutes and is also published within the Council meeting minutes in the City's official newspaper.
 - iii. The Council is given reports of all revenues and expenditures plus the cash balances of each fund. This information is presented in the form of the following Fund Accounting generated reports: Fund Cash Balance; Budget Expenditure Totals; Fiscal Revenue Report Detail; and General Ledger Activity List.
- e. Petty Cash is disbursed out of City Office by the Finance Officer. The Petty Cash drawer contains \$200.00. Primarily, Petty Cash is used for postage, small City Office or department supply purchases. Petty cash receipts and payments are reconciled by the Finance Officer. Deposits are made in a timely manner.

THEREFORE, THIS RESOLUTION IS PASSED AND ADOPTED THIS 8TH DAY OF SEPTEMBER, 2020.

CITY OF LAKE NORDEN

Cameron Larson, Council President

ATTEST:

Delores Kangas, Finance Officer

Council member St. John duly seconded the foregoing resolution. All voted aye. Thus, resolution is passed and adopted.

Motion made by Layman and seconded by Jacobsen to approve the August Police Report, as presented. All voted aye.

Motion made by Layman and seconded by Jacobsen to approve the Second Reading of Ordinance #359 "AN ANNUAL APPROPRIATIONS ORDINANCE FOR THE YEAR ENDING DECEMBER 31, 2021, as presented. All voted aye.

Motion made by St. John and seconded by Layman to approve Change Order #6 for the Water Improvements Project, Bid Pkg. I, as presented. All voted aye.

Motion made by Jacobsen and seconded by Lemme to approve Change Order #6 for the Water Improvements Project, Bid Pkg. II, as presented. All voted aye.

Motion made by Lemme and seconded by Andrews to approve Pay Request #1for the Water Improvements Project from SRF Loan #02 for \$663,002.00, contingent upon funding agency's approval. All voted aye.

Motion made by Jacobsen and seconded by St. John to go into executive session per SDCL 1-25-2 Section 1 at 8:23 PM. All voted aye.

Council President Larson declared the Council out of executive session at 8:43 PM.

Motion made by Lemme and seconded by Jacobsen to adjourn at 8:43 PM. All voted aye.

Cameron Larson
Council President

Delores Kangas
Finance Officer

 *"This institution is an equal opportunity provider, and employer."*

Publish once at an approximate cost of _____.