

City of Alcester
Regular Meeting Minutes
June 2nd, 2025

Mayor Lisa Hodgson opened Council at 6:05 PM.

Council members present: Kendra Hatle, Nick Wieseler, and Marvie Swanson

Others Present: Finance Officer David Hodgson, Deputy Finance Officer Kris Hedden, Paul Kraft – Banner Associates, Kirsten Tschida, David Larsen, Ellen Johnson, Deb Hughes, Cosette Hemen, Richard Akland, Kari Kingma, Anita Green, and Jaimey Schempp

The Pledge of Allegiance was recited

K Hatle moved and M Swanson seconded to approve the agenda with amending it to add item 12c MC&R pay application, 15c golf course coolers purchase, and strike item 4. Motion carried. Unanimous.

K Hatle moved and N Wieseler then moved to enter into Executive Session pursuant to SDCL 1-25-2(1) Ward I Alderman interview. Motion carried. Unanimous. Mayor Hodgson declared council in executive session at 6:08pm. Council was declared out of executive session at 6:23pm. M Swanson moved and K Hatle seconded to appoint Kirsten Tschida as Ward I Alderwoman until next election. Motion carried. Unanimous. Mayor Hodgson then administered the oath of office to Kirsten Tschida and she took her seat.

M Swanson moved and N Wieseler seconded to approve the meeting minutes of Monday May 5th and Thursday May 15th, 2025. Motion carried. Unanimous.

For public input Anita Green brought forward some dead vegetation outside the Old School Building covering the handicap sign, excess sand and gravel left over from winter in the parking lot that hasn't been cleaned up yet, and the need for the parking lines to be restriped. No other public input provided at this time.

For legal updates Sam Nelson mentions to council some property issues his office is working on for the city that will need to have further action taken soon. No updates provided at this time from the Sheriff's Department.

For the informal public hearing on the Water Improvements project Mayor Hodgson introduced Paul Kraft – Banner Associates to review the project scope. Paul explained the improvements that will be done to the water tower including interior and exterior coatings as well as other repairs from most recent inspection report. Also to be done is water main replacement from the water tower S along Park Ave to 4th Street and West on 4th Street from Park Ave to Ofstad Street. Informational letters will be sent to residents along this route explaining further details. Finance Officer Hodgson then explained the state surcharge requirements set forth in the Bond for the project. Several questions were brought forward and addressed by the council from the public in attendance.

For the Banner engineering report Paul Kraft briefed the council on the status of ongoing projects to include the WasteWater Treatment Plant, Sewer Collection System Improvements, Water Improvements, and the Drainage Study. No questions at this time.

K Hatle then moved and N Wieseler seconded to approve Change Order #17 to the WasteWater Treatment Plant as presented. Motion carried. Unanimous. K Hatle moved and M Swanson seconded to approve pay application #24 to Industrial Process Technology in the amount of \$66,500.00 for work completed through April 25th, 2025 contingent upon receipt of lien waivers and AIS documents. Motion carried. Unanimous.

K Hatle moved and K Tschida seconded to approve paying invoice #45284 in the amount of \$16,787.40 for work completed through May 24th, 2025. Motion carried. Unanimous.

Mayor Hodgson then introduced Jaimey Schempp from the Alcester Industrial Park Board. First, he brought forward the Alcester Union archives currently housed in the basement of Premier Bank and asked if council would consider relocating them to an area of the city offices for public display. Next, he discussed the Old School Parcel and the boards wish to donate this area to the city for future use of another city park area. Finally, he discussed the residential housing project being worked on. He reviewed the current plans for the development and the cost estimate. This included a breakdown of the where the financing would come from, including SD Rural Housing and USDA Rural Development. Further discussion was had and several questions were addressed. No action taken at this time on the development. K Tschida then moved and M Swanson seconded to approve the Transfer of Deed of Parcel #3 of the Old School Property from the Alcester Industrial Board to the City of Alcester. Motion carried. Unanimous.

For the Finance Office K Hatle moved and N Wieseler seconded to approve the May 2025 warrants. Motion carried. Unanimous. Finance Officer Hodgson then presented the year-to-date financial report. After review no questions were brought forward at this time. K Hatle then moved and N Wieseler seconded to approve pay application #2 to MC&R Pools for work completed on the municipal pool. Finance Officer Hodgson discussed what progress has been made to date and what is left to complete. After discussion motion carried. Unanimous.

Mayor Hodgson introduced Ordinance 2025-08 Supplemental Appropriations. K Hatle moved and M Swanson seconded to approve the second reading of the Ordinance. Motion carried. Unanimous.

ORDINANCE NO. 2025-08

SUPPLEMENTAL APPROPRIATIONS ORDINANCE

Be it ordained by the City of Alcester that the following sum is supplementally appropriated to meet the obligations of the municipality:

<i>10 General Fund</i>	
<i>451-433 Pool Improvements</i>	<i>\$270,000.00</i>
<i>Total Supplemental Appropriations</i>	
<i>Sources of Funding</i>	
<i>451-39129 Pool Improvement Bond (Lease)</i>	<i>\$270,000.00</i>

Lisa Hodgson, Mayor

ATTEST:

David Hodgson, Finance Officer

Mayor Hodgson then introduced Resolution 2025-09 Resolution Amending the City's Rate Structure, Providing for a Surcharge for Improvements to the Water Tower and Water System. Resolution was full read by Finance Officer Hodgson. Motion was made by K Hatle to adopt the resolution as read and seconded by K Tschida with the surcharge to begin with the July 2025 billing cycle. Motion carried. Unanimous.

RESOLUTION NO 2025-09

RESOLUTION AMENDING THE CITY'S RATE STRUCTURE, PROVIDING FOR A SURCHARGE FOR IMPROVEMENTS TO THE WATER TOWER & WATER SYSTEM, FOR PAYMENT OF A REVENUE BORROWER BOND AND YEARLY REVIEW OF RATE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ALCESTER AS FOLLOWS:

1. Surcharge for Borrower Bond. *There shall be charged a monthly surcharge for the services provided by the improvement financed by the DW-01 Conservancy District Loan. The surcharge for each loan shall be segregated from other revenues of the City and shall be used for the payment of the Borrower Bond DW-01 (the "Borrower Bond"). Provided that such surcharge shall create net income, remaining from time to time after first paying all reasonable and current expenses of maintenance, repairs, replacements and operation, sufficient to fund interest, reserve and debt service fund annual requirements.*

2. Rates and collection. *The City does hereby establish the special charge or surcharge payable by each customer of its system who receives or benefits from the services of the project financed with the Borrower Bond. Such charge or surcharge shall be set at a level which, assuming a 10% delinquency rate, will produce income at the times and in amounts sufficient to pay when due the principal of and interest on the Borrower Bond and the administrative expense surcharge and all other payments as may be required under the loan agreement and Borrower Bond.*

3. Borrower Bond Surcharge. *The following clean water debt service surcharge shall be applicable to all customers served:*

Borrower Bond DW-01 Surcharge: \$11.25 per user per month commencing July 1st, 2025

This surcharge shall remain in effect until such time as the revenue bond is paid in full. The initial surcharge shall be collected at the same time as other charges of the system. The surcharge is found to be equitable for the services provided by the improvements.

4. Segregation. *The debt service surcharge shall be segregated from other income of the system in a separate book-keeping account and is pledged to the South Dakota Conservancy District for the payment of the loan payments on the Borrower Bond.*

5. Yearly review. *The amount of the surcharge shall be reviewed from year to year and may be modified in order to provide the required 110 percent debt coverage. The charges shall be reviewed yearly by City and administratively adjusted, upwards or downwards, to such amounts as*

may be necessary to pay principal, interest, administrative surcharge and other charges as may become due and owing under the loan agreement or Borrower Bond.

6. Billing and Accounting. The surcharges shall be included in the monthly user bill. Nothing contained herein requires the surcharge be indicated on the billing, however, the surcharge segregation shall be indicated on the books of the City.

7. Automatic Repeal. The surcharge for the Borrower Bond shall be automatically repealed when the Borrower Bond is paid in full.

8. Partial Invalidity. If any one or more of the provisions of the shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof.

_____/s/_____
Lisa Hodgson, Mayor

ATTEST:

_____/s/_____
David Hodgson, Finance Officer

For Clubhouse Grille & Morningside Event Center council was presented with a quote for adding additional security cameras in both the event center, on the back patio, and cart shed. After discussion K Hatle moved and N Wieseler seconded to approve the quote as presented using the Community Center Donation Account. Motion carried. Unanimous. K Hatle then moved and M Swanson seconded to approve city credit card for Kari Kingma with a monthly limit of \$500.00. Motion carried. Unanimous. Mayor Hodgson then introduced a quote from Ink & Thread for coolers to replace the current coolers used by the golfers. The current coolers are old and falling apart and needing to be replaced. Previously these were provided by distributors but they are no longer doing this. After discussion K Hatle moved and K Tschida seconded to approve purchasing the coolers as quoted. Motion carried. Unanimous.

For the DOT Joint Powers agreement for TA Grant Funding, Finance Officer Hodgson explained the agreement for the upcoming 6th Steet walkway project. K Tschida then moved and M Swanson seconded to approve Mayor Hodgson to sign the agreement as presented. Motion carried. Unanimous.

Mayor Hodgson then presented a donation request from the A-H Softball team to help them with their travel expenses to the State Softball Tournament. After discussion K Hatle moved and N Wieseler seconded to approve donating \$100.00. Motion carried. Unanimous.

Finance Officer Hodgson then presented a letter to the council requesting to be able to close portion of Anderson Street on Friday July 4th for the annual fireworks community celebration. After discussion K Tschida moved and M Swanson seconded to approve the request to close Anderson Street from 1pm until 11pm on Friday July 4th, 2025. Motion carried. Unanimous.

Mayor Hodgson then asked for council to approve moving the July meeting to Monday July 14th. K Hatle moved and K Tschida seconded to move the July council meeting to Monday July 14th at 6pm. Motion carried. Unanimous.

For reminders the Alcester Farmers Market is on for the season on Tuesday's 5-7pm through October weather pending at Herb Anderson Memorial Park, 2nd Annual Golf Course Beautification 8-inch cup tournament is Saturday June 7th, City-wide rummage sales also happening on Saturday June 7th, and City Offices will be closed Friday July 4th.

K Hatle moved and N Wieseler seconded to enter into Executive Session pursuant to SDCL 1-25-2(1) Personnel. Motion carried. Unanimous. Mayor Hodgson declared council in Executive Session at 8:02pm. Council was declared out of Executive Session at 9:38pm. No action taken at this time.

K Hatle moved and N Wieseler seconded to adjourn council. Motion carried. Unanimous. Mayor Hodgson declared council adjourned at 9:39pm. Next regular council meeting will be held on Monday July 14th, 2025 at 6pm.

CITY OF ALCESTER, SOUTH DAKOTA
_____/s/_____
Lisa Hodgson, Mayor

ATTEST:

_____/s/_____
David Hodgson, Finance Officer