

REGULAR MEETING DE SMET COMMON COUNCIL

January 14, 2026

The De Smet Common Council met in regular session on January 14, 2026, at 5:00 p.m., with the following present: Council members, George Cavanaugh, Bret Jensen (via speaker phone), Dane Coughlin, Lowell Hansen, Pam Spader, Mayor Gary Wolkow arriving later in the meeting, Finance Officer Tracey Larson, and City Attorney Todd Wilkinson. Absent: none.

President Hansen called the meeting to order at 5:00 PM.

PLEDGE OF ALLEGIANCE: The meeting started with the council and those from the public reciting the Pledge of Allegiance.

ANNOUNCEMENTS: None.

MINUTES: Motion was made by Spader, seconded by Coughlin, to approve the minutes of December 10, 2025, Regular Meeting and December 30, 2025 Special Meeting minutes, all voting aye, motion carried.

CLAIMS: Motion was made by Coughlin, seconded by McCune, to approve paying the claims as presented, all voting aye, motion carried. The claims are as follows: PAYROLL \$63,165.95; OASI Benefit 4,832.20; Aflac, ins. premium 95.03; Dearborn National, life insurance 88.00; Delta Dental of South Dakota 395.30; VSP 169.80; The Health Pool of SD, health insurance premium 7,657.26; SDRS, retirement benefit 5,122.28; AA Motorsports, repair & maint. 119.98; Big Bucks Pro-rodeo, marketing 250.00; Bright Arrow Technologies, alert system annual fee & supplies 160.00; City of De Smet, utilities 1,094.87; City of De Smet, postage 10.51; Continental Western Group, property & liability insurance 75,093.00; Cook's Wastepaper & Recycling, city garbage collection 327.90; Cook's Wastepaper & Recycling, residential garbage collection 7,267.53; DBT Transportation Services, AWOS maintenance contract 6,750.00; De Smet Chamber of Commerce, 2026 chamber dues 200.00; De Smet American Legion, supplies 142.50; Ferguson Waterworks, repairs & maint. 723.60; Jennie Gross, deposit refund 30.00; Kim Martens, meter deposit refunds (2) 300.00; Kingsbury Electric Cooperative, maintenance contract 220.00; Kingsbury County Auditor, law enforcement contract 6,933.33; Kingsbury Electric Cooperative, utilities 860.97; Kingsbury Journal, newspaper subscription 65.00; LeAnne Thompson, deposit refund 275.00; Northwestern, utilities 1,598.46; Office Peeps, office copier contract 221.25; Olson's Pest Technicians, pest control 75.00; On Sight, Event Center security system 10,070.59; Ottertail Power Company, utilities 5,760.43; Palmlund Auto, tires 819.80; RDO Equipment Company, street equipment 23,500.00; SD Airport Management Association, 2026 annual dues \$50.00; SD Dept of Revenue, recreation sales tax 596.79; SD Dept of Revenue, garbage sales tax 503.29; SD Dept of Agriculture & Natural Resources, applicator renewals 70.00; SD Governmental FO Association, 2026 annual dues 50.00; SD Human Resource Association, 2026 annual dues 25.00; SD Municipal League, 2026 annual dues 1,478.00; SD Municipal Street Maintenance, 2026 annual dues 35.00; SDML Worker Compensation Fund, work comp insurance 13,226.00; SDSU Extension, spraying re-

certification 90.00; Socially Untapped, marketing 200.00; SD 811, locates 90.30; Tracey Larson, reimbursement for supplies 54.16; US Bank, 3rd Street SRF Loan 2,666.22; US Bank, looping project loan payment 4,043.31; Valley Fibercom, utilities 388.42; Visa, utilities & supplies 128.94; World Insurance, insurance premium 7,351.15; Imeg, Main Street water project engineering 3,683.00; Imeg, Main Street sewer project engineering 12,636.00; Mediacom, utilities 122.20.

SPECIAL LIQUOR LICENSES: A previously approved special liquor license to Lu Ann Klinkel, owner of Klinkel's III has amended the event date from January 10, 2026, to February 21, 2026, at the De Smet Legion Hall from 5:00 pm - 12:00 am. Motion was made by Spader, seconded by McCune, to approve amending the date of the previously approved special liquor license to Lu Ann Klinkel, owner of Klinkel's III from January 10, 2026 to February 21, 2026 from 5:00 - 11:00 pm at the Legion Hall, all voting aye, motion carried.

KRISTA O'DEA: Krista O'Dea representing her and her husband Nathan, inquired into the status of the backup that occurred at their residence on August 17, 2025. O'Dea stated that they have been putting the bathroom back together and are still buying a lot of stuff. O'Dea asked what steps are being taken so this will not happen again and inquired about obtaining a copy of the city insurance policy. The City informed O'Dea that smoke testing had to be rescheduled due to the winter season, an emergency discharge permit is being looked into with the State, and flow test proposals have been submitted.

AMANDA FIELDS: Amanda Fields met with the council regarding the status of the backup that occurred at their residence on August 17, 2025. Fields stated that she had submitted a letter to the City stating she had damaged her residence on August 17, 2025, from the backup that occurred. Fields stated that the insurance company is asking for receipts from the homeowners for the damage incurred. Fields asked if the insurance claim was per household or one claim; did something happen when the new sewer line was put into service; and if the City were to file a claim against the contractor, would the homeowners receive any of that insurance payment?

CANDACE WELLER: Candace Weller informed the council that she had turned in a letter to the City on January 14, 2026, that her residence had damage from the August 17, 2025 backup.

DAVE & LINDA HARRIS: Dave & Linda Harris inquired about the status of the neighbor that had built an addition that they feel is over the property line onto their property.

PUBLIC COMMENTS: Mark Siefkes informed the council that a surveyor had been on his property when conducting a survey of adjacent land and would like to know where that correct survey pin is located and if he could have a copy of the survey when it is completed. Siefkes also stated that the new streetlight interferes with his sleep and would like to have it turned off. Chad Kruse, owner of De Smet Flowers & Gifts, stated that when a council person's parent passed away recently, the City ordered an arrangement from an out-of-town florist. FO Larson stated a small plant had been ordered and due to the funeral being held in another town, the plant had been ordered directly from a florist in the town instead of involving a third party in the purchase.

Mayor Gary Wolkow arrived at this time and President Hansen turned the meeting over to Mayor Wolkow.

INFRASTRUCTURE, MAIN STREET & WATER TOWER PROJECTS: April Bueller and Carter Klapperich, Engineers for IMEG met with the council to discuss the infrastructure projects, water tower, and Main Street project updates. Klapperich reported that they are getting the 2nd Street & Chase Street project closed out. The project loan cannot be closed until all the phases of the project are completed. The water tower portion of the project has been closed out. On the Calumet project, permanent street signs have been installed. There will not be a pay app from the contractor for the Calumet project this month. Bueller reported that they are reassessing the areas of sidewalk that have heaved. Geotek has been contacted for their opinion to the cause of the sidewalk heaving. An option to correct the heaving sidewalk would be to remove the section, excavate soil under the sidewalk, install 12 inches of sand, and replace the concrete. Due to ADA compliance at the alley, the curb in front of the Vet Clinic building is slightly lower than other curb lines. People have driven over the curb, and they are concerned that the building could get hit. Options such as installing bollards or signage were discussed. Klapperich addressed the drainage issue on Sherwood between 2nd & 3rd Street and will have more information at the February council meeting.

EXECUTIVE SESSION: Motion was made by Hansen, seconded by Coughlin to go into executive session to discuss contracts, and litigation at 5:49 pm, all voting aye, motion carried. Mayor Wolkow declared the council out of executive session at 7:01 pm.

ZONING: A building permit application was submitted by David Warden for a handicap ramp on the front of his business. Motion was made by Jensen, seconded by McCune, to deny the building permit application submitted by David Warden for the ramp, due to the ramp not being on his own property, all voting aye, motion carried.

SECOND READING TO AMEND WATER/WASTEWATER RATES: Motion was made by Cavanaugh, seconded by Jensen, to approve the second reading to amend Ordinance No. II-2Q, Section II-2-6. Water Services Hookups and Rates, to increase the water flat rate from \$22.13 to \$23.24 per month, the usage rate from \$5.97 to \$6.27 per 1,000 gallons water, and the meter deposit from \$150.00 to \$200.00; and to approve the second reading to amend Ordinance No. II-4N, Section II-4 Entitled Wastewater Charges, to increase the wastewater flat rate from \$22.13 to \$23.24 per month, the usage rate from \$5.97 to \$6.27 per 1,000 gallons water, wastewater users with other water sources from \$34.07 to \$35.78, all voting aye, motion carried.
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ORDINANCE NO. II-2Q

**AN ORDINANCE AMENDING ORDINANCE NO. II-2 ENTITLED: SECTION II-2-6.
WATER SERVICE HOOKUPS & RATES:**

BE IT ORDAINED BY THE CITY OF DE SMET, SOUTH DAKOTA, THAT SAID ORDINANCE SHALL BE AMENDED TO READ AS FOLLOWS:

Section II-2-6. Water Services Hookups and Rates.

RATE SCHEDULE FOR WATER USAGE

The rates for water consumption shall be computed on a monthly (1 month) basis. Any fractioned use of 1,000 gallons shall be rounded to the next 1,000 gallon increment and shall be considered as 1,000 gallons for billing purposes. A minimum monthly rate of \$23.24 of which sum \$2.50 per hookup shall be designated for debt retirement, shall be charged to the service regardless of usage as long as the water shall be turned on to the service. The following rates shall be effective for residential and commercial usage for water supplied by the City of De Smet, to-wit:

For usage, per 1,000 gallons \$6.27

Other Water charges, the City of De Smet hereby establishes a surcharge of \$4.35 payable by each customer of its system who receives or benefits from the services of the project financed by the DW-02 loan with the borrower bond Series 2020. The collection of the surcharge shall start on February 1, 2024. The surcharge shall remain in effect until such time as the borrower bond is paid in full, it shall be collected at the same time 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.

The City of De Smet hereby establishes a surcharge of \$16.70 payable by each customer of its system who receives or benefits from the services of the project financed by the DW-03 loan with the borrower bond Series 2024. The collection of the surcharge shall start on February 1, 2024. The surcharge shall remain in effect until such time as the borrower bond is paid in full, it shall be collected at the same time 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.

Bulk water charges for bulk water dispensed at the hydrant are hereby established at a rate of \$30.00 for the first 1,000 gallons and \$12.00 per 1,000 gallons after the first 1,000 gallons.

Meters shall be read monthly and water bills shall be due and payable on the 1st day of every month of each year at a place designated by the City. After 5:00 P.M. on the 15th day of said month, water bills shall be deemed delinquent and a 15% penalty shall be added to the unpaid customer's account having a balance of over \$10.00.

No utility connection shall be made for municipal water or sewer services until the owner, occupier or user of the premises shall deposit with the City the sum of \$200.00 as a guarantee of municipal utilities payment. Said deposit shall be retained by

the City without interest until the municipal utility service is disconnected or terminated. Upon vacating said building or location of the discontinuance of the use of the municipal utilities therein, the deposit shall be returned to the person who paid said amount, less any sums then due and owing to the City for utility services.

All other sections of said Ordinance and Ordinances amending Ordinance No. II-2, except those herein specifically modified, remain in full force and effect.

Dated this 14th day of January, 2026.

CITY OF DE SMET

ATTEST:

Gary Wolkow, Mayor

Tracey Larson, Finance Officer

Passed First Reading: December 30, 2025

Second Reading: January 14, 2026

Published: January 29, 2026

ORDINANCE NO. II - 4N

AN ORDINANCE AMENDING CHAPTER II-4 ENTITLED: WASTEWATER CHARGES.

BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF DE SMET, SOUTH DAKOTA:

That Section II-4-3 be amended as follows to-wit:

Section II-4-3. Sewer Service Rates/Metered Services.

The rates for sewer usage shall be computed on a monthly (1 month) basis. There shall be only one class of users for purposes of rate calculation with rates to be determined based upon the users metered water usage. Any fractional use of 1,000 gallons shall be rounded to the next 1,000-gallon increment and shall be considered as 1,000 gallons for billing purposes. A minimum monthly rate of \$23.24, as long as the water shall be turned on to the service. An additional monthly charge shall be imposed at a rate of \$6.27 for each 1,000 gallons or fraction thereof of metered water usage.

Other sewer charges, the City of De Smet hereby establishes a surcharge of \$9.10 payable by each customer of its system who receives or benefits from the services of the project financed by the CW-01 loan with the borrower bond Series 2024. The collection of the surcharge shall start on February 1, 2024. The surcharge shall remain in effect until such time as the borrower bond is paid in full, it shall be collected at the

same time as other charges of the system, and establish a surcharge account to segregate the income from other system income for bookkeeping 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.

And Section II-4-5 be amended as follows to-wit:

Section II-4-5. Sewer rates for wastewater users who use water in the dwelling, office or other structure from a source other than metered City Water shall be required to pay a monthly rate of \$35.78.

All other provisions not changed herein to remain valid and effective.

Date this 14th day of January, 2026.

CITY OF DE SMET

ATTEST:

Gary Wolkow, Mayor

Tracey Larson, Finance Officer

Passed First Reading: December 30, 2025

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ALCOHOL VENDORS: Motion was made by Cavanaugh, seconded by Coughlin, to approve adding With the Wind and Converse Wine Co. to as an approved vendor to purchase SD farm wine, all voting aye, motion carried.

STREETS & AIRPORT: Casey Harty, Supt. of Street & Airport, informed the council that he has been in contact with Ottertail about installing two streetlights in an area on Prairie Avenue. The cost for the LED light will be \$15.93/month/light. There are two streetlights along Highway 14 that have not been installed yet with the State project but will be installed in the spring. Harty discussed the planned street repairs to be done in 2026. Also discussed were the banners that were on Calumet Ave., which are getting worn and are a different size than the brackets on the new streetlights. The current banners would still work on the highway and side street poles. More information will be obtained on banners.

CHIP SEAL/CRACK SEAL CALL FOR BIDS: Motion was made by McCune, seconded by Cavanaugh, to approve calling for bids in combination with Arlington for chip sealing approximately 22 1/2 blocks in De Smet, all voting aye, motion carried.

PROJECT PAYMENTS: Motion was made by Coughlin, seconded by Spader, to approve the project pay requests - IMEG, pay request 21005454.04-10- Main Street water \$7,366.00; IMEG, pay request 21005454.05-6 Main Street sewer \$3,683.00; and IMEG, pay request 21005454.05-8 Main Street sewer \$12,636.00, all voting aye, motion carried. Airport project payments are reimbursed 95% by Federal and State grant funds.

DE SMET DEVELOPMENT CORPORATION: De Smet Development Coordinator, Grace Aughenbaugh informed the council that she will be attending the

SD Tourism Conference next week; this is the last year for the DMO grant and marketing options are being looked at; the Main Street Beautification Committee has continued to meet; the 2026 De Smet Community Guides will be printed in February, and discussed celebrating America's 250th anniversary.

FINANCIAL REPORT: Motion was made by Cavanaugh, seconded by Coughlin, to approve the November & December 2025 Cash Balances Report, to approve transferring \$70,000.00 from the Hospital Fund to the Water fund until the water project funding reimbursement is received, and authorize the Finance Officer to transfer \$70,000.00 from the Water Fund to the Hospital Fund when the project funding reimbursement is received, all voting aye, motion carried.

OVERTIME: Motion by Spader, seconded by McCune, to approve the overtime hours for the month of December as presented, all voted aye, motion carried.

OTHER: Other non-action items of discussion were as follows: 1) the December law enforcement report.

ADJOURN: There being no further business the meeting was adjourned on motion by Hansen.

To comply with SDCL 6-1-10. Publication of Payroll information, the payroll changes were effective December 29, 2025 as follows: Deputy Finance Officer Jenni Ransom 22.49/hour; Office Assistant Karen Hansen \$23.46/hour; Office help Barb Hansen \$14.49/hour; Office help Judy Wolkow \$14.49/hour; Office custodian Ashley Harty 20.70/hour; Street Supt. Casey Harty \$27.75/hour; Street helper Ryan Petersen \$30.80/hour; Library Director Jeanette Todd \$24.00/hour; Assistant Librarian Dianne Mollner \$20.13/hour; Supt. of Water & Wastewater Jason Springer \$30.62/hour; Event Center Custodian/Maintenance Ryan Bickett \$19.02/hour; Parks & Buildings help Mark Birkel, \$19.12/hour; Museum Curator Marlene Somsen, \$14.49/hour; Snow Removal Help Cliff Poppen \$16.56/hour; Snow Removal Help Rod Palmlund \$16.56; Street helper Mike Scofield \$16.56/hour; all other employees \$14.00/hour; and to set the annual salary for the Finance Officer Tracey Larson at \$7,635.55/mo. and Event Center Director Kristy Hubbard at \$4,892.24/mo. to be effective December 29, 2025.

Gary Wolkow, Mayor

ATTEST:

Tracey Larson, Finance Officer

Published once at the approximate cost of \$ _____